



Daily Report

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General

Summit Begins Under 'Shadow of Discrepancies'

OW0406034892 Beijing XINHUA in English
0250 GMT 4 Jun 92

["News Analysis" by Wang Conrong]

[Text] Rio de Janeiro, June 3 (XINHUA)—The U.N. Conference on Environment and Development began here today under the shadow of discrepancies between north and south on certain important issues.

In his speech at the inaugural ceremony, Brazilian President Fernando Collor de Mello exhorted the whole world to "go forward in a mission of cooperation arising from two fundamental considerations: development and environment."

Meanwhile, U.N. Secretary-General Butrus Butrus-Ghali also stressed in his inaugural address the need to take effective measures and joint actions to guarantee environmental protection and planetary and sustainable development.

Nevertheless, it appears that these new calls have failed to obtain a proper response from the United States and several other developed countries, which maintain a passive posture on the common global cause of environmental protection.

U.S. delegates reiterated at a press conference immediately after the opening ceremony that their country is not ready to offer new or additional financial contributions for environmental protection programs contained in "Agenda 21," an official document of the conference, which is a blueprint of environmental actions to be taken by nations as the 21st century begins.

On the eve of the summit, the U.S. administration announced that it would not sign the Biodiversity Convention.

Judging from the recent statements by delegations from both north and south, one of the major differences between developed and developing countries lies in the relationship between development and the environment. Countries in the southern hemisphere, and some in the northern one as well, fear that protection of the environment might be given priority over the fostering of development.

Commentators here noted that this is precisely what southern countries want to forestall "at all costs," since they believe that the disequilibrium will end with the burden placed on the south, obliging them to sacrifice their economic development while industrialized countries which have greater responsibilities for contamination will not make corresponding sacrifices.

Most industrialized countries are seeking to make guarantees that will not commit them to changes in their patterns of production and consumption while poor

countries in the south do not want documents whose interpretation would hamper the efforts necessary for such anxiously-awaited progress.

These opposing positions will mean, according to some delegates from southern countries, that the final versions, both of the Rio Declaration and of other documents, will be difficult for the delegates to reach.

The 12-day summit, officially called the United Nations Conference on Environment and Development, will be the largest-ever gathering of heads of state. More than 120 world leaders are scheduled to attend.

In his speech, Butrus-Ghali emphasized the importance of "planetary development." He explained that sustainable development and planetary development are mutually complementary and constitute a new concept that guarantees the equality that enlivens all the people on the planet.

As some delegates from both northern and southern hemispheres have commented, the new concept of "planetary development" requires closer cooperation in environmental protection. But so far, the governments of the two hemispheres remain apart as far as the question of financial contributions for "Agenda 21"—commonly known as the "plan of actions"—is concerned.

Nonetheless, observers here noted that hopes exist along with worries. On account of its magnitude and the great attention it has aroused, this summit will raise, to a considerable degree, everybody's awareness with respect to the importance of combining sustainable development with environmental protection.

UN Climate Treaty Signed

OW0506084192 Beijing XINHUA in English
0738 GMT 5 Jun 92

[Text] Rio de Janeiro, June 4 (XINHUA)—The United Nations framework convention on climate change became the first product of the Earth Summit as it was opened for signature here today.

The first signatory of the treaty was Brazilian President Fernando Collor de Mello, who called it "one of the decisive steps that we must take in order to build a truly new and better international order."

Speaking at a ceremony for signature, U.N. Secretary-General Butrus Butrus-Ghali said the treaty is a "pragmatic" convention reflecting the political realities and the economic caution that prevail in the world.

Noting that the convention falls short of the initial hopes of many negotiators, the U.N. chief said it "does contain important commitments to take action" to address the climate change that encompasses the globe and all of humanity.

The objective of the treaty as the result of arduous negotiations over the past 15 months is to stabilize

atmospheric concentrations of greenhouse gases, mainly carbon dioxide, that are blamed for causing the dangerous global warming.

Under the document, developed countries are to take steps to reduce their emissions of greenhouse gases to earlier levels by the end of this decade and to finally cut the emissions down to their 1990 levels.

They are also committed to provide "new and additional" financial assistance through the Global Environmental Facility (GEF) to help developing countries meet the cost of complying with the convention.

With today's opening for signature, the treaty is expected to be signed here by heads of state or government, ministers and diplomats from all over the world during the next 10 days of the Earth Summit.

The treaty then will go to the U.N. headquarters in New York and will remain open for signing. It must first be ratified, accepted, approved or acceded to by national legislatures in at least 50 countries before entering into force. And the process may take two years.

Today's official ceremony for signature ended up with a cheering atmosphere at the hall of the ongoing summit, officially known as the U.N. Conference on Environment and Development (UNCED).

However, immediately after the official ceremony, a major international environmentalist group issued a statement labelling the convention as a "tragic failed opportunity to reduce the threat of global warming."

The treaty sets no targets which would enable its own stated objectives of greenhouse gas stabilization to be met, according to Dr. Jeremy Leggett, a Greenpeace's climate expert.

Furthermore, he said, it establishes no specific commitments for funds and fossil fuel-replacing technologies to be transferred to the developing world and fails to acknowledge specifically the importance of energy efficiency and renewable energy.

Bush Defends Refusal To Sign Pact

*OW0506093092 Beijing XINHUA in English
0802 GMT 5 Jun 92*

[Text] Washington, June 4 (XINHUA)—The U.S. President George Bush today defended his refusal to sign an Earth Summit treaty to protect plant and animal diversity.

Addressing a White House press conference, Bush said he would not sign the treaty because it "throws too many Americans out of work."

Bush has been under attack for his early refusal to sign the treaty, a centerpiece of the Earth Summit in Rio de Janeiro, Brazil.

"I refuse to accept that kind of criticism from what I consider some of the extremes in the environmental movement internationally or domestically," Bush said.

But the head of the U.S. delegation William Reilly told U.S. reporters in Rio today that the United States would sign the treaty if minor changes were made.

Bush said he was not going to go to Rio and forget about people that need jobs in the United States. "I'm going to go on the offense, not defense," he added.

The President said he would take a strong environmental record to the summit. The United States has spent something like 800 billion U.S. dollars in the last 10 years on cleaning the atmosphere and it will spend 1.2 trillion dollars of taxpayers and businesses over the next 10 years on the environment, he said.

Bush said he has some responsibilities for a cleaner environment and was also responsible for families in his country who want to work.

Pledges To Double Conservation Funds

*OW0506001992 Beijing XINHUA in English
2319 GMT 4 Jun 92*

[Text] Rio de Janeiro, June 4 (XINHUA)—U.S. President George Bush has pledged to double the current annual 1.35 billion dollars of U.S. Government funding for international forest conservation.

His move, an obvious gesture that aims at alleviating international criticism on his administration's environmental policy, was contained in a letter to his Brazilian counterpart Fernando Collor de Mello today.

He promised that forestry projects, such as the Brazilian forestry pilot project, would be "natural candidates" for additional funding.

While saying he would announce on Monday "a major new forest initiative" to promote forest conservation, the U.S. President also proposed that other developed countries followed the U.S. suit.

However, analysts here said the U.S. message sent out before Bush travels here to attend the ongoing Earth Summit could hardly improve the U.S. Government's records on environment issues.

Here at the largest international gathering dedicated to environment issues, environmentalists as well as some representatives from developing and European countries are openly criticizing the U.S. refusal to sign the U.N. Convention on Biological Diversity to be signed from Friday on.

In his return letter to Bush, President Collor stressed that international cooperation in forest conservation should be based on respect for all beneficiaries' national sovereignty.

The biggest challenge now facing the forest conservation efforts, Collor said, is the rational management of forest

resources for the well-being of the society while maintaining adequate levels of environmental protection.

Cooperation in environmental protection should facilitate developing countries with forest resources with access to additional funding through democratic and transparent mechanisms, he said.

EEC, U.S. Differ on 'Biodiversity'

OW0506000492 Beijing XINHUA in English
2233 GMT 4 Jun 92

[Text] Rio de Janeiro, June 4 (XINHUA)—Member countries of the European Economic Community (EEC) are politically distancing themselves from the United States at the environment conference by showing an interest in signing the Biodiversity Convention.

EEC countries, especially Germany, France and Britain, are inclined towards signing the document in order to fortify environmental protection on a planetary scale, according to well-informed sources.

Portuguese Environment Minister Carlos Borrego, speaking on behalf of the 12 member countries of the EEC, told the conference that "we congratulate ourselves that this convention and the climatic changes convention are open for signature at this summit."

He added that EEC countries are prepared to "make an active contribution to the rapid preparation of protocols on specific issues within the sphere of the Biodiversity Convention."

Some delegates from Latin American countries said they detected in the Portuguese Minister's speech extremely obvious differences between the EEC and the United States in regard to the conventions on biodiversity and climatic changes.

The text of the Biodiversity Convention was rejected last Friday by the U.S. Government, which called it "strongly inflammatory."

U.S. Environmental Protection Agency Director William Reilly, who is attending the conference, recognized that with the distancing of EEC countries, the U.S. stance with respect to the biodiversity convention could isolate the United States itself from a global process to provide protection to life on the planet.

Referring to the EEC position, the U.S. official declared that "we regret it but we are prepared for it." "We cannot discourage anyone but we will not sign that convention either," he added.

Nonetheless, Reilly told the press that his country would be willing to reconsider its position without reopening discussion on the Biodiversity Convention.

He pointed out, on the other hand, that his government has not considered this possibility during the two-week conference.

XINHUA Interviews Official at Earth Summit

Views Environment, Development

OW0406190092 Beijing XINHUA in English
1845 GMT 4 Jun 92

[Text] Rio de Janeiro, June 4 (XINHUA)—Only if development is promoted, can developing countries be able to enhance their ability to tackle the issue of environment, Qu Geping, director of China's State Environmental Protection Bureau, said here today.

Qu Geping, who is also deputy head of the Chinese delegation to the United Nations Conference on Environment and Development (UNCED), or the Earth Summit, made the remarks in an exclusive interview with XINHUA today at Riocentro, site of the UNCED.

"Environment and development are linked with each other and the issue of environment cannot be resolved alone. The root cause of environmental problems in developing countries is poverty and backwardness," Qu said.

"Each country enjoys the permanent sovereignty over its environment and natural resources, not allowing others to interfere in its internal affairs on the pretext of the environmental protection," Qu stressed.

The developed countries should take primary responsibility in environmental degradation while developing countries should make efforts to protect the environment to achieve a sustainable development, he pointed out.

In dealing with the environmental problems, developed countries are obliged to help developing nations shake off poverty and backwardness, he continued.

As war and conflicts cause extreme damage to the environment, safeguarding regional and world peace and stability is of great significance to environmental protection, Qu added.

Referring to the preparatory process of the UNCED, Qu said that agreement has been reached in principle on the framework convention on climate change and the biological diversity convention through a number of preparatory meetings and consultations, but not on the questions of technology transfer and the establishment of new funds, Qu said.

Qu described the ongoing UNCED as a "historic conference" at which the world community are discussing how to deal with environment and development, adding that these issues do not only concern one single country but the future of mankind.

Qu Remarks on Pollution

OW0506065392 Beijing XINHUA in English
0558 GMT 5 Jun 92

[Text] Rio de Janeiro, June 4 (XINHUA)—A senior Chinese environmentalist today termed environment as a major subject in China's development policy.

Qu Geping, director of China's State Environmental Protection Bureau and deputy head of the Chinese delegation to the U.N. Conference on Environment and Development, said that one of China's decade-long experience is the strategic thinking of integrated development of economy and society with environmental protection and the formation of the environmental strategy, policy and system corresponding to the basic situation and development level of China.

Qu said these at a seminar held this afternoon in the Eco-Tech Exhibition, two kilometers from the Rio-Centro, site of the ongoing UNCED. He also listed China's environmental policies as follows:

- The policy of combining prevention with control while keeping prevention in the main;
- The policy of whoever causes the pollution should control it, which is the application of the principle of responsibility by the polluter in China.

This includes combining prevention and control of industrial pollution with technical renovation, implementing a system of control within a deadline for a number of industrial and mining enterprises which discharge pollutants.

- The policy of strengthening environmental management.

Outgoing NATO Head Urges New Organization

OW0406061592 Beijing XINHUA in English
0512 GMT 4 Jun 92

[Text] Bonn, June 3 (XINHUA)—A new NATO is needed after the demise of the Soviet Union, NATO's out-going Supreme Allied Commander for Europe, John Galvin, said today.

Galvin, who is leaving his post on June 23, said NATO's new strategy should include consideration of security needs from outside the NATO countries, and new NATO should be an alliance which can cope with any crisis in the new, fast-changing era.

It should also be able to make quick reaction to unrest and potential crisis, he added.

He said some 150,000 American troops will remain in Europe even after disarmament in the continent.

'News Analysis' on NATO's European Role

OW0506054092 Beijing XINHUA in English
0504 GMT 5 Jun 92

[“News Analysis: NATO Aims at Bigger Role in Whole Europe”—XINHUA headline]

[Text] Copenhagen, June 4 (XINHUA)—NATO foreign ministers gave an initial approval today to the use of their troops and equipment in peacekeeping operations in European conflicts, a move to enlarge its role in the continent.

At the start of a two-day meeting of the North Atlantic Treaty Organization in Oslo, Norway, the ministers agreed that troops could be used to help keep peace outside the territories of the NATO countries.

The move reverses a decades-old policy limiting the deployment of forces to the territories of NATO countries and gives the alliance a new role in the post-cold era.

A statement to be issued formally later today said NATO's major objective was to guarantee the security of its members and maintain peace in the whole Europe through dialogue, partnership and cooperation.

However, local observers view the decision as a turning point for NATO to meet new challenges in Europe. The end of the Cold War and the escalating ethnic conflicts in parts of the continent have increased NATO's concern and propelled it to work out a new strategic concept with regard to security in the whole of Europe.

The statement said the new policy was based on NATO's “increased responsibility for crisis management” and its desire for peaceful resolution of disputes on its borders.

On Friday, the NATO foreign ministers will hold talks with their counterparts from former Warsaw Pact nations to strengthen political and security ties.

By this move, NATO can be seen as trying to turn itself from a mainly military organization to a political-oriented body with a desire to play a stronger role in both security and political issues as far as the whole region is concerned.

The meeting also raised a new proposal to place the future security and stability of the European-Atlantic area on the four organizations—NATO, the European Community, the Conference of Security and Cooperation in Europe and the European Council.

But whether NATO's new strategic concept can be brought into reality will depend on the development of the situation and on the change of balance of various forces among the European countries.

Journal Analyzes 'Strategic Orientation' of West
HK030602192 Beijing SHIJIE ZHISHI in Chinese
No 9, 1 May 92 pp 2-4

[Article by Shi Ping (4258 1627): "Western World at a Loss, in a State of Unease"]

[Text] With the USSR's disintegration and the Cold War's end, the Western world was for a time very happy, with the mind set of "the victor" making itself felt. However, facing the cold facts that old contradictions have not been resolved, but new ones have been continuously surfacing, the Western press stated, such a "happy mood" has now "disappeared." Things that have happened over the past year or so have landed the West in perplexity, doubts, and a state of unease...

The United States: Difficulty in Determining Its Strategic Orientation

The Gulf war victory and the collapse of the USSR naturally brought great delight to the United States; it seemed the U.S. status as the world's sole superpower was beyond a doubt, and "the responsibility for global leadership" had "inevitably fallen on the United States." Thus, the U.S. practice of forcing her own will on others in world affairs by relying on its strength has become increasingly frequent with each passing day. At least two recent incidents have roused the world's concern.

One was her sanctions against Libya. A Pan-Am Boeing passenger plane exploded over Lockerbie, Scotland, in December, resulting in 270 people killed on the plane and the ground. A French UTA DC-10 airliner over Niger met an accident in September 1989, in which all 171 people on board died. Several years went by, the United States brought up a matter of the past, and published the results of a joint investigation with the British and French last November, in which it was ruled that the two explosions were connected with Libya, while demanding Libya extradite the six suspects to the United States, Britain, and France for hearings.

When Libya rejected the accusation and surrender of the suspects, the United States deployed her naval forces and threatened to take retaliatory measures, including military actions, against Libya. With the joint efforts of Britain, France, and the United States, UN Security Council Resolution No. 731 was adopted 31 January this year, pressing Libya to surrender the suspects. On 31 March, Security Council Resolution No. 748 set out by the United States, Britain, and France, which decided to impose military and diplomatic sanctions against Libya, including a ban on flights, was adopted and would take effect 15 April. Halting all terrorist activities is the international community's unanimous demand. However, the fact that the United States had imposed sanctions, and even threatened military action, against a sovereign state before she had a clear picture of the truth could not but rouse the unease of the Arab world and the entire international community.

The other was the Noriega trial. On 9 April, a Miami jury convicted the former Panamanian head of state, who was found guilty on eight counts, including racketeering and involvement in drug trafficking. Based on the ruling, Noriega now faces up to 120 years in U.S. prison and a \$635,000 fine.

Noriega used to be the Panamanian defense commander, and a figure with substantial power. The second half of 1989 saw turbulences in Panama's political situation, and the United States flagrantly sent her troops to invade Panama, and "rounded up" Noriega "for trial" in the United States. This U.S. behavior was reproached by some people in the country. In the wake of the announcement of the Noriega ruling, Charles B. Rangel, the U.S. House of Representatives Select Committee on Narcotics Abuse and Control chairman, said that was probably "the most inglorious page in U.S. history."

Where does the United States go with the end of the Cold war? This issue has aroused universal concern and unease inside the United States and the international community. The United States is suffering from an economic recession, educational stalemate, and various serious social problems, with the people's living conditions worsening. The majority of American people hope that their nation will be reinvigorated in peaceful coexistence with all countries, and are unwilling to play the role of "world police." David Scheffer, a senior member of the Carnegie Endowment for International Peace, indicated that the United States should no longer play the role of "world police," but give greater play to the UN's role. He believed that the United States has already run the risk of becoming an isolationist superpower, which has neither legitimate power nor sufficient funds or strength to intervene, in a single-handed way, in countries in conflict or countries where conflict is about to take place. He said, the new reality teaches people that the outmoded military superiority is a close-fitting garment that restricts one's movements and is not an "emancipator of peace." David Newsom, former U.S. Under Secretary of State, said in an article contributed to a newspaper not long ago that he felt that the United States had turned a blind eye to world public opinion and resorted to military actions in a single-handed way for scores of years, and might ignore any UN resolution that did not please her. From a present-day view, the concept of being the sole superpower has run counter to the psychology of the U.S. public and the world.

Internationally, some U.S. practices have also aroused universal unease. Not long ago, NATO Secretary General Wornat advised the United States to cease being the superpower dominating the world after the end of the "Cold War." He believed that the U.S. consideration for dominating the world alone "does not fall in line with reality"; the United States must play a role of maintaining world order and security with the joint efforts of such international organizations as the EC, CSCE, and the United Nations. In his recent article, Professor Fred Halliday, of the London School of Economics, pointed out that a year ago, "because of victory," the United

States believed its "position has been strengthened," and it followed that it "can force its will upon others: suppressing its economic opponents in Europe and Japan, playing a police role in the Third World, and forcing its hegemonist policy on the United Nations." However, a reversal took place in the situation a year later. Today, the Americans have increasingly felt that "this country is in an internal crisis," and the United States' "wish to exercise her hegemony through military means" has met an impasse because of her "neglect of Americans' concerns."

Beyond a doubt, the United States remains the most powerful country in the world. Nevertheless, the question is how should the United States employ its strength, should she seek a hegemonist role and play the role of "world police," or reinvigorate the United States, while promoting world peace and progress? That is a point of concern of people in, and outside the United States.

West Europe: Writing on the Wall About the Political Situation

Parliamentary or regional elections have taken place in such West European countries as Austria, Belgium, France, Germany, and Italy between last winter and early April this year. Those elections shared a characteristic to various degrees, namely, the percentages of votes credited to traditional political parties dwindled, whereas those of far-right forces markedly rose. To a certain extent, this new phenomenon has broken through those countries' original political patterns, and the WASHINGTON POST cried out in alarm: "initial signs of instability have already spread from the East to the West."

In France's 22 March regional elections, Mitterand's Socialist Party was credited with only 18.3 percent of the vote, an 11-percent drop from the last ballot, the worst result since the Socialist Party's 1971 reorganization, and was spoken of as "a historical defeat." At the same time, the traditional right-wing political party did not win out of the Socialist Party's defeat. The "Alliance of France," comprising the Union for French Democracy and the Rally for the Republic was credited with 33 percent of the vote, an approximately 7-percent drop from the last ballot. Whereas the greatest winner was the far-right National Front, which won up to 13.9 percent. In Italy, the Christian Democratic Party in office suffered great losses in the early April general election. All at once, it lost 28 seats in the Chamber of Deputies and 18 seats in the Senate. Whereas the neo-fascist Italian Social Movement- National Right was credited with 5.5 percent of the vote; among its winners was Alessandra Mussolini, granddaughter of Benito Mussolini, Italy's World War II dictator. Regional elections were held in the German states of Bavaria and Schleswig-Holstein on 5 April; the votes credited to the two largest German political parties, the Social Democratic Union and Christian Democratic Union [CDU] were slashed by a wide margin, and the CDU in office lost its absolute majority vote in Bavaria, and was credited with only

39.6 percent of the vote, the worst result in 32 years, which "shocked" many people. Whereas, the Republicans headed by Franz Schonhuber, a former Nazi Guard soldier, was credited with 10.9 percent of the vote. In Schleswig-Holstein, another right-wing political party, German People's Alliance was also credited with 6.6 percent of the vote. These two far-right political parties have, for the first time in history, entered the two states' parliaments.

West European public opinion believes that what accounts for traditional political parties losing their influence and the rising of far-right forces is: First, long-term economic recession has aggravated mass resentment against the party in office. Problems of slow economic growth, serious inflation, growing financial deficits, and high unemployment rates have been universal in various European countries in recent years. Currently, France's unemployment rate is 9.8 percent, with the unemployed populace approaching 3 million, and becomes the greatest sore of the political party in office. The German reunification has brought greater income to some people in East Germany as well as rocketing prices and a drastic rise in unemployment. Statistics show that the unemployed populace is already 1.22 million as of today, with their living standards markedly degrading. Whereas, in its western part, people are not happy about the government's plan to allot an annual 100 million marks for East German reconstruction, believing it to be a heavy burden, for it spells higher taxes for people in the western part, and hindering its economic growth.

Second, the constituents harbored bitter hatred for the universal existence of social problems, rampant crimes, and corruption inside the political parties in office. Since France's Socialist Party took office, there have been many scandals, such as "the faked invoice incident" and "the Paris La Defense District real estate speculation scandal," which have greatly damaged the image of the political party in office. In Italy, Mafia criminal activities have always been quite rampant; homicide, robbery and kidnapping are almost daily occurrences. Even during the general election, Mafia slaughtering took place repeatedly. The masses held a great grudge against the political party in office for its incompetence in halting criminal activities.

And third, voluminous immigrants have swarmed into West Europe from the former USSR and East Europe in recent years, and caused great anxieties among local people. Presently, statistics show that the number of immigrants in Germany was approximately 5 million, of which some 200,000 were refugees; in last March alone, some 35,000 immigrants arrived in Germany seeking political asylum. The immigrant issue is also the French Government's greatest headache. To deal with attacks of the far-right forces and demands of some constituents, the Socialist Party government had to adopt some counter-immigration measures on the one hand; and to flaunt "protecting human rights" on the other; thus the party landed in a dilemma. Swarms of immigrants have

pounded at the economic and social lives in various West European countries. It was precisely because right-wing forces had instigated racist sentiments by taking advantage of people's anxieties that some constituents have turned to far-right forces.

The loss of influences of traditional political parties in West Europe and the rise of right-wing forces have weakened the position of political parties in office in various countries. France's Cresson administration has already been forced to leave office, whereas complications have surfaced in the Italian political situation. Some Western observers believe that the fact that far-right forces have shaped into a third force in these countries will lead to these countries' internal and external policies leaning toward the right in a long-range view. Hence, an impending situation of instability.

Another consequence of the rise of far-right forces and the weakening of the political parties in office is that people harbor fresh distrust in the prospects of European integration. Most West European far-right forces do not trust the EC, and oppose EC political and economic integration. France and Germany are the enthusiastic promoters and major pillars of Europe's integration. Public opinion believes that the rise of the right-wing forces in these two countries will inevitably reduce the governments' decision-making power, and make it difficult to adopt "unpopular" policies, which are indispensable to integration. Presently, an increasingly greater number of people inside France oppose the sanctioning of two treaties, and a nationwide debate is under way. Recently, the British Conservative Party unexpectedly defeated the Labor Party by a narrow margin; one of the reasons lies in the Conservatives playing the national interests card. Aiming at the total and uncritical acceptance of the plan for European unification by the Labor Party and the Social and Liberal Democratic Party, John Major has called for the constituents' vigilance in the recent general election, saying that according to the plan of the Labor Party and the Social and Liberal Democratic Party, the British Parliament's sovereignty will be lost in the European United States. Presently, the EC is at a "crucial turning point," the governments of its various members are to sanction the two treaties adopted at the 1991 Maastricht Summit within this year. West European public opinion universally believes that the series of recent West European elections has cast a shadow on the progress of European integration.

Russia: The First Government Crisis Occurs

The Sixth Russian Congress of People's Deputies opened 6 April and was the first convoked at the Kremlin since Russia officially became an independent state. During the session, acute disputes took place between the Assembly and the government on the economic reform issue, which almost led to the first Russian Government's resignation.

The session mainly discussed three major issues: assessment of economic reform, Constitutional revisions, and

the political situation of Russia and the CIS. The struggle's focus was on the economic reform issue. Yeltsin's report on the conditions of economic reform submitted to the session on behalf of the government met with many criticisms. In the four-day debate, the deputies proposed 311 amendments in 120 pages to the original four-page draft resolution on the progress of economic reform; thus we can see the struggle's intensity. The resolution adopted on 10 April indicated that the Russian Congress of People's Deputies believed that the course of economic reform in the areas of citizen's social protection, taxation, financial budget, investment, and industrial and agricultural policies is "not satisfactory." Although the meeting decided to maintain Yeltsin's presidential office and concurrently the government head office for another three months, it demanded the president make important revisions to government policy, and proposed such measures as stabilizing finances, augmenting social security, and encouraging production operation to the congress. That was, in actual fact, placing Yeltsin "on probation," and could not but meet the strong opposition of Yeltsin and his backers. First Vice Premier Gaydar announced a collective resignation of the government on the grounds that the government had no way to fulfill the resolution's requirements, which spelled the first government crisis since Russian independence. Through several rounds of struggles, the Assembly eventually made concessions, and adopted a declaration supporting the government's principle of economic reform, a compromise reached between the president and the Assembly speaker. Nevertheless, the differences between the Assembly and the government remain, without a solution to deep-tiered contradictions.

Causes were manifold for the Russian Government to have met with such lashings and reproaches. The main cause was that since the government took office, it had pursued a politically pro-Western line and formed an "alliance" with the United States; in addition, it adopted Western-style "radical reform" economically. Her chief measure, the "shock treatment," was directly derived from Western economists. In reality, the bulk of Russians found it difficult to experience political "freedom" and "democracy," but the tremendous pounding caused by the "shock treatment" was keenly felt to everyone. Since the implementation of this policy, prices had rocketed, with the inflation rate jumping to an unprecedented degree, while production and living standards drastically dropped. The long existing social, political, and economic crises had not eased, but had been aggravated with each passing day. A deputy indicated in his speech that the present-day Russian economic reform has provided a hotbed for speculation, profiteering, and Mafia and criminal activities, whereas the people are helpless in self-defense. As other deputies pointed out, the Russian economy was "conducive to the reforms of the capitalist class and foreign capital, the entire course of reform has been conducted under the IMF's command and supervision," and "the government is a captive of foreign economic concepts."

World public opinion believes that the fact that the Yeltsin government had managed to tide over the difficult situation is inseparable from the all-out support of the United States and the West. After announcement by Washington and Bonn to provide Russia with a \$24 billion aid package, U.S. Secretary of State James Baker said bluntly that this was precisely "good timing to help Yeltsin." When the struggle between the Russian Government and Assembly was at its fiercest, U.S. Secretary of Treasury Brady arrived in Moscow and openingly warned the Russian Assembly to refrain from adopting "retrogressive measures" that would jeopardize the West's \$24 billion aid project.

Russia's first government crisis was resolved for the time being; however, just as it was pointed out in a WASHINGTON POST article, at the recent Congress of People's Deputies, anti-Western sentiments in Russia have surfaced. The article indicated: Russian President Yeltsin has all along appealed to the West to provide voluminous aid and guidance during her transitional period from Communism to the free market economy; however, in Russia, "an undercurrent showing repugnance and opposition to the West is increasingly strengthened," "noteworthy is the fact that some anti-Western speeches came from figures such as Yeltsin's adviser Shmelev and economist Petrakov, whom the West believes to be liberals and pro-Western reformists as of today." What have those Russians said?

"Ours is a peculiar country. Any measure which has proven to be successful in other places cannot be copied intact here," (Supreme Soviet Chairman Ruslan Khasbulatov); and letting our bare-shouldered Russian peasants put on Atlantic-style cocktail dress and bow-ties would be "meaningless and absurd." Russia should not play the role of a "small partner" (Shmelev). The most acute was Russian Vice President Rutskoy's speech, in which he likened Western aid to "free cheese in a mouse-trap." He said, "some people have already opened their mouths, believing we will always be given food. What naivete!" How true, such words are really not very pleasing to the ears of those Americans and Westerners who include Russia in the "West," while "never stopping to lecture" and "being generous in offering aid." However, why should they have said these things when they were all "pro-Western"? The WASHINGTON POST found this perplexing, and did not provide an answer. It seems that the answer to that question can only be found in the West itself.

United States & Canada

Bush Determines Angola 'No Longer' Marxist

OW0506000592 Beijing XINHUA in English
2231 GMT 4 Jun 92

[Text] Washington, June 4 (XINHUA)—The White House said today U.S. President George Bush had signed a formal notice that Angola is no longer a Marxist-Leninist country.

Bush's determination is clearing the way for Angola to secure financing from the U.S. Export-Import Bank.

The United States and the former Soviet Union arranged a cease-fire in Angola last year between the Soviet-backed Angolan Government and U.S. supported guerrillas. Elections are scheduled in September.

House Committee Votes To Tighten Cuba Sanctions

OW0506030092 Beijing XINHUA in English
0151 GMT 5 Jun 92

[Text] Washington, June 4 (XINHUA)—The U.S. House Foreign Affairs Committee today approved a bill to tighten economic sanctions against Cuba.

The bill, sponsored by Rep. Robert Torricelli, would give the U.S. President authority to cut off U.S. aid, trade or debt relief to any country that provides assistance to Cuba.

The bill would also write into law Bush's order to exclude from U.S. ports any ships that enter Cuban ports to trade or carry passengers.

President George Bush indeed tightened that embargo seven weeks ago, when he barred foreign vessels doing business with Cuba from stopping at U.S. ports.

The Bush administration opposes any weakening of the embargo of Cuba on grounds that economic pressure is the most efficient way to promote an American-styled "democracy" in Cuba.

In addition, the bill would extend the U.S. economic embargo of Cuba to cover trade by foreign subsidiaries of U.S. firms.

The house committee also requires on-site monitoring by U.S. officials of the use of any U.S. medical supplies to Cuba.

Reportage Views Bush's 'Prime-Time' News Forum

Urges Balanced-Budget Amendment

OW0506035892 Beijing XINHUA in English
0248 GMT 5 Jun 92

[Text] Washington, June 4 (XINHUA)—U.S. President George Bush appealed today for a constitutional amendment to balance the mounting federal budget deficit in five years, saying it is the "only way" to force the federal government to live within its means.

"Our political system, as it is now, has failed to meet its responsibilities to address this problem (of the budget deficit)," Bush said in his first prime-time news conference in three years.

"In the face of several hundred billion dollar budget deficit, a piecemeal approach simply will not do the job," he added.

The federal budget deficit is expected to hit 400 billion dollars in fiscal 1992, which ends on September 30. The accumulated national debt is estimated at 4,000 billion dollars this year.

Bush said, "we can choose either to accept the status quo, piling debt upon debt, or we can strike a bold, new course, restoring fiscal sanity to the federal government."

"If we choose wrongly," he warned, "our grandchildren and their grandchildren are going to bear the burden."

Bush said a balanced-budget amendment to the U.S. Constitution is "crucial" to the economic security of the United States.

According to Bush, the budget deficits threaten the long-term economic health of the United States. "Over the years, we've accumulated federal debt totaling 65,000 dollars for every family of four in America."

This debt does not create more wealth, instead it merely helps pay for the nation's current consumption.

Bush said victory will not come easily, as the amendment requires a two-third majority from both the Senate and the House of Representatives.

"I am pleased to say that many serious-minded members, Republicans and Democrats alike, support this measure," he told the news conference.

Bush urged every member of the U.S. Congress to join him in supporting the "swift approval" of a balanced budget amendment.

Says Economy Improving

OW0506041092 Beijing XINHUA in English
0310 GMT 5 Jun 92

[Text] Washington, June 4 (XINHUA)—U.S. President George Bush today tried to convince the American people that the U.S. economy is improving and his administration will keep pushing it ahead.

Bush told a prime time press conference at the White House that his problems stemmed from the sluggish, anemic economy but now "the economy's improving."

The president conceded, some big problems still exist. "So we've got to keep pushing ahead," he said.

Bush's job approval rating dropped from 90 percent in the Gulf War to around 35 percent in recent polls. The polls also showed the undeclared presidential candidate Ross Perot was even with or ahead of Bush in a number of states.

Bush said, "I would make the appeal right now for our growth incentives to further stimulate an economy that is beginning to move and is beginning to move positively."

He said in a recent poll, 70 percent of the people thought the economy was getting worse. "But I think it's getting better," he said.

"It takes a while. There is a lag there. Unemployment is a lagging indicator for example. So it takes a while to see the change," he said.

Bush said his fortunes have been related to the economy.

"If I'll take the blame, some of which I'll take is the economy's been sick, I assume the American people are fair enough to give credit when there's recovery," he said.

Bush said he would join debates with his rivals Bill Clinton, the Democratic presidential candidate and Ross Perot who is expected to declare his campaign for the White House as an independent candidate. But that is only after the Republican national convention in August, he said.

He said he and Perot have known each other a long time and he might be a little bit of a long shot in persuading Perot to support him.

Central Eurasia

Yeltsin To Receive Invitation to G-7 Summit

OW0406054292 Beijing XINHUA in English
0508 GMT 4 Jun 92

[Text] Bonn, June 3 (XINHUA)—Russian President Boris Yeltsin will be invited to attend the economic summit of the seven industrial nations in Munich, Germany, in early July.

Announcing this today, Horst Koehler, permanent secretary of state at the Finance Ministry, said he would leave for Moscow next week to deliver the invitation to the Russian president.

It is reported that Yeltsin will show up only on the last day of the two-day summit to meet the heads of the seven states.

The summit, due to be held from July 6-8, is the third G-7 meeting hosted by Germany.

Estonia-Russia Withdrawal Talks Suspended

OW0406085392 Beijing XINHUA in English
0838 GMT 4 Jun 92

[Text] Helsinki, June 4 (XINHUA)—Estonia suspended negotiations Wednesday with Russia on the withdrawal of the former Soviet army.

The negotiations were halted mainly because of the differences on the timetable.

Russia proposed that the withdrawal of the former Soviet army from Estonia begin in 1994 and complete by the end of 1997.

But Estonia insisted that the Soviet army should be pulled out within this year.

Estonia was to call on other countries and international organization to pressure Russia into withdrawing the army as soon as possible.

The former Soviet army deployed in Estonia was estimated at 25,000 to 40,000.

Heilongjiang Vice Governor Meets Kazakh Guests

SK0406084392 Harbin HEILONGJIANG RIBAO
in Chinese 4 May 92 p 1

[By reporter Yang Tianzhu (2799 1131 5511): "Du Xianzhong Meets Kazakh Guests"]

[Text] Vice Governor Du Xianzhong received on the evening of 3 May in the Huayuancun Guesthouse the six-member delegation of the Pavlodar oblast government of Kazakh Soviet Socialist Republic, which is headed by Arupakinov [as transliterated], vice governor of Pavlodar oblast.

During the reception, Du Xianzhong on behalf of the provincial people's government delivered a speech in which he welcomed the Kazakhstan guests coming from afar and held a cordial talk with them. He said that over the past many years, the trade exchanges between the province and Kazakhstan had rapidly developed and that the agreement signed at this time by both sides on building a 23,000-square-meter guesthouse of Chinese classical style in Pavlodar city with a total investment of more than 300 million Renminbi had pushed the economic and trade cooperation established by both sides into a new stage.

During the reception, Arupakinov said that he regarded this visit as a turning point in broadening the economic cooperation established by both sides.

The Kazakhstan guests arrived in Harbin several days ago at the invitation of the foreign trade company run by the provincial commercial bureau.

Northeast Asia

KYODO Protests Detainment of Reporters

Police 'Overreacted'

OW0506111892 Tokyo KYODO in English
1051 GMT 5 Jun 92

[Text] Beijing, June 6 KYODO—KYODO news service on Friday protested the temporary detention of two of its reporters Wednesday by Chinese security authorities while attempting to cover a one-man demonstration in Beijing's Tiananmen Square.

The letter of protest, signed by KYODO Managing Editor Michio Yasuda, was delivered to Chinese Foreign Ministry Information Director Wu Jianmin.

Yasuda charged that Tiananmen Square is a public place and that the KYODO journalists did absolutely nothing illegal or that infringing on Chinese law.

"It is extremely regrettable that the behavior of Chinese security authorities impeded the legitimate coverage activities of foreign journalists (resident in Beijing)," Yasuda said.

Also on Friday, the Foreign Correspondents Club in Beijing registered a protest with Wu and called for an investigation and trial for the security officials involved in Wednesday's incident.

On Wednesday, authorities, rounded up at least eight foreign journalists in Tiananmen Square and roughed up a Japanese television network cameraman following the exploits of a lone demonstrator protesting the military suppression of a pro-democracy demonstration there three years ago.

The Correspondents Club charged that Wu's declaration that the cameraman, Atsushi Yamagiwa from Tokyo Broadcasting System Inc., was punched and kicked by private citizens was mistaken.

The letter contended that Yamagiwa himself was told by Chinese authorities that the police had overreacted.

Spokesman Denies Police Assault

OW0406121392 Tokyo KYODO in English
1150 GMT 04 Jun 92

[Text] Beijing, June 4 KYODO—China on Thursday denied allegations that security authorities assaulted a Japanese television cameraman in Beijing's Tiananmen Square on Wednesday.

Wu Jianmin, director of the Foreign Ministry's Information Department, told a news conference that citizens, not security authorities, attacked Atsushi Yamagiwa of the Tokyo Broadcasting System Inc.

Yamagiwa said Chinese authorities temporarily detained him while he was attempting to cover a one-man demonstration in Beijing's Tiananmen Square on Wednesday.

Yamagiwa said he was punched and kicked by the authorities before being taken away. He suffered injuries which would take about two weeks to heal.

Wu said, "It is an unfortunate incident... But those who attacked were ordinary citizens who were forcibly filmed (by Yamagiwa)."

Wu said the allegations that security authorities attacked Yamagiwa is a "one-sided view."

Yamagiwa said that when he was filming in the square, security authorities suddenly kicked him from behind. He was then surrounded by more than 10 people and was hit, he said.

But Wu quoted witnesses as saying Yamagiwa had kicked a Chinese citizen first.

The Japanese television cameraman was among at least eight foreign journalists rounded up by Chinese authorities in Tiananmen Square on Wednesday.

The journalists, including two KYODO NEWS SERVICE reporters, were attempting to cover a lone Chinese demonstrator protesting the government's military suppression of a pro-democracy demonstration there three years ago.

Wu said the journalists' coverage was "illegal" because they were supposed to apply in advance to cover stories at Tiananmen Square.

He added that China will deal with journalists who conducted "illegal coverage" according to the law. Wu refused to elaborate further on the incident.

Japan To Fund Environmental Protection Projects

*HK0306093092 Beijing CHINA DAILY
in English 3 Jun 92 p 2*

[By staff reporter: "Protection Projects To Get Funds"]

[Text] The Japanese Government will award 2.77 billion Japanese yen (\$21.8 million) to finance environmental and cultural protection projects in China, under terms of a document signed yesterday in Beijing.

Of the total aid, 1.9 billion yen (\$15.1 million) will be spent for the establishment of the Japan-China Friendship Environmental Protection Centre, including the construction of a 12-floor building and purchase of contamination monitors and computers.

According to a general agreement signed last year, Japan will give 10.3 billion yen (\$80.9 million) for the project, Japan's first investment in China to focus on environmental protection.

The Japanese Government gave 302 million Japanese yen (\$2.4 million) last year for the project. The rest of the money will be distributed during the next two years.

The other 855 million Japanese yen (\$6.74 million) will be used for the construction of Dunhuang Grottoes Cultural Asset Preservation Research and Exhibition Centre in Gansu Province.

Japan has promised to supply a total of 975 million yen (\$7.7 million) for the project, according to an agreement signed last year. The Japanese Government turned over 120 million yen (\$946,000) for the project last year.

Tong Zhiguang, Vice-Minister for Foreign Economic Relations and Trade (Mofert), and Japanese Ambassador Hiroshi Hashimoto exchanged notes in Beijing yesterday.

O Chin-u Greets Yang Baibing on Arrival

*OW0406162392 Beijing XINHUA in English
1611 GMT 4 Jun 92*

[Text] Pyongyang, June 4 (XINHUA)—A senior Chinese military official arrived in Pyongyang today on an eight-day goodwill visit to the Democratic People's Republic of Korea (DPRK).

Yang Baibing, director of the General Political Department of the People's Liberation Army (PLA), was well received at the Pyongyang railway station by O Chin-u, minister of the People's Armed Forces of the DPRK.

Yang and O, at a banquet, spoke highly of the traditional friendship between the peoples and armies of the two nations and vowed to make continuous efforts to enhance it.

O said that difficulties and obstacles still remained in the unification process, but the direction in which the situation is developing was more favorable.

Yang, who is also the secretary general of the military commission of the Chinese Communist Party Central Committee, said that the Korean peninsula had been heading towards detente and stability in recent years and the high-level talks between the two sides of Korea had made great progress.

It fully accorded with the fundamental interests of all Koreans and was beneficial to peace and stability in the Asian-Pacific region, Yang observed.

He said that the Chinese people and the PLA hope the detente in the peninsula continues and relations between the two parts of Korea further improve.

China firmly supports the just struggle of the Korean people to unify their homeland independently and peacefully, Yang added.

DPRK Security Delegation Visits Tianjin

*SK0506082092 Tianjin TIANJIN RIBAO
in Chinese 23 May 92 p 1*

[By Reporter Zhao Hongzhi (6392 4767 1807): "Wang Xudong and Some Other Leaders Meet With Korean Guests"]

[Text] On the evening of 22 May, Wang Xudong, deputy secretary of the municipal party committee; and Song Pingshun, vice mayor of the municipality, met with the delegation of the DPRK Ministry of Public Security, headed by General Chang Song-u, director of the Political Bureau under the Ministry of Public Security.

Wang Xudong welcomed the Korean guests and introduced to them Tianjin's reform and open up situation. General Chang Song-u expressed thanks to Tianjin for the warm reception and praised China's public security front for playing a key role in reform and opening up.

At the invitation of the Ministry of Public Security and the Headquarters of the Chinese People's Armed Police Force, the delegation arrived in Tianjin on the afternoon of 22 May. Also accompanying the delegation to Tianjin were Lieutenant General Hwang Chin-taek, vice minister of public security; Major General Kim Yong-ik, director of the political department of the North Hamgyong Provincial Public Security Bureau; and Major General Choi Yong-san, director of the foreign affairs bureau under the Ministry of Public Security.

Present at the meeting were Major General Wang Wenli, deputy commander of the Headquarters of the Chinese People's Armed Police Force; and responsible persons of the foreign affairs bureau of the Ministry of Public Security and the foreign affairs office of the municipal government.

During its staying in Tianjin, the delegation visited the night scene of Hai He and the Tianjin Television Tower. On 23 May, the delegation will also watch the hand-to-hand combat, deep breathing exercises, and techniques of arrests.

CPC Central Committee Group Visits Pyongyang

*HK0506022592 Beijing RENMIN RIBAO
in Chinese 26 May 92 p 6*

[By staff reporter Zhou Bizhong (0719 1801 1813): "Ding Guangen Arrives in Pyongyang for Friendly Visit; Central Committee of Workers' Party of Korea Gives Banquet To Welcome Him"]

[Text] Pyongyang, 25 May (RENMIN RIBAO)—Ding Guangen, alternate member of the CPC Central Committee Political Bureau and member of the CPC Central Committee Secretariat, arrived in Pyongyang this afternoon by plane at the invitation of the Central Committee of the Workers' Party of Korea [WPK] to begin a friendly one-week visit to Korea.

Among those who greeted him at the airport were Choe Tae-pok, alternate member of the Political Bureau and secretary of the WPK Central Committee; Kim Yong-jian, deputy director of the international department of the WPK Central Committee; and Zheng Yi, Chinese ambassador to Korea.

In the evening, the WPK Central Committee held a banquet at Pyongyang's Yuliu Hall to cordially welcome Ding Guangen and his entourage. Choe Tae-pok made the welcoming remarks and said this was Comrade Ding Guangen's first visit to Korea and this reflected the development and continuous consolidation of Sino-Korean friendship. He also spoke highly of the achievements in reform and opening made by the Chinese people under the leadership of the CPC with Jiang Zemin as the core. Ding Guangen said in his speech that the Chinese and Korean peoples have a special friendship. Under the delicate cultivation of the two parties in China and Korea and the leaders of the two countries, friendly relations between the two parties and the two

peoples have continuously developed and strengthened. At present, he said, the CPC and the Chinese people are intensively studying and implementing the important speech made by Comrade Deng Xiaoping early this year and the spirit of the Plenary Session of the Political Bureau so that they can usher in the triumphant convening of the 14th Party Congress with outstanding results.

Among those accompanying Ding Guangen were Xiong Qingquan, member of the CPC Central Committee and Huna CPC Committee secretary, and Li Chengren, deputy head of the International Liaison Department of the CPC Central Committee.

Southeast Asia & Pacific

Supreme People's Court Head Meets SRV Guests

*OW0306125092 Beijing XINHUA in English
1222 GMT 3 Jun 92*

[Text] Beijing, June 3 (XINHUA)—Ren Jianxin, president of China's Supreme People's Court, met with his Vietnamese counterpart at the Great Hall of the People here this evening.

After the meeting, Ren hosted a dinner in honor of Pham Hung, president of the Vietnamese Supreme People's Court, and his party.

The Vietnamese guests arrived here today at the invitation of China's Supreme People's Court. Apart from Beijing, they are going to visit Tianjin, Guangzhou and Shenzhen.

Qian Qichen To Visit New Zealand 15 Jun

*OW0406031992 Beijing XINHUA in English
0201 GMT 4 Jun 92*

[Text] Wellington, June 4 (XINHUA)—Chinese Foreign Minister Qian Qichen is coming here for a visit this month, New Zealand Prime Minister Jim Bolger announced today.

"It will be a pleasure to welcome Mr Qian to New Zealand," Bolger said in a statement. The high-level visits in both directions over recent months had "increased the mutual understanding and laid new foundations for a more dynamic relationship in future" between the two countries, Bolger added.

Bolger is now the acting minister of external relations and trade and foreign affairs minister, as foreign affairs minister Don McKinnon is overseas.

Contacts between New Zealand and China today cover a broad range of activities, from trade and investment through to cultural and sporting links 20 years after the establishment of the diplomatic relations between the two countries, Bolger said.

Qian is expected to meet the prime minister, hold talks and discussions with McKinnon who visited China in April on bilateral and Asia/Pacific matters and meet opposition leader Mike Moore during his trip from June 15 to 17.

Qian, who is a State Councillor of China, will also officially open China's newly-established consulate-general in Auckland during the trip.

West Europe

Vice Premier Zou Jiahua Meets UK Businessman

OW0506090792 Beijing XINHUA in English
0858 GMT 5 Jun 92

[Text] Beijing, June 5 (XINHUA)—Chinese Vice-Premier Zou Jiahua met with G.M. Ralfe, chairman of the British Chichester Diamond Services Ltd., at the Diaoyutai State Guesthouse here this afternoon.

Chichester Diamond Services Ltd. is one of the several companies that make up the central selling organization in London, which provides about 80 percent of the world's rough diamond.

Chichester, a company engaging mainly in diamond prospecting, has almost completed a six-year cooperation program with the Chinese Ministry of Geology and Mineral Resources.

Zhu Xun, minister of geology and mineral resource, and British ambassador to China Robin McLaren were present at the meeting.

The British guests came here June 4 as guests of the Ministry of Geology and Mineral Resources.

Danish Prime Minister Meets Trade Official

OW0506032992 Beijing XINHUA in English
0212 GMT 5 Jun 92

[Text] Copenhagen, June 4 (XINHUA)—Danish Prime Minister Poul Schluter held talks today with visiting Chinese Vice Premier Tian Jiyun on bilateral trade and technology cooperation.

Schluter said China is an important part of the international community and Denmark hopes to further cooperation with China in various fields.

Tian expressed satisfaction with the present trading relationship with Denmark. He said China cherishes the Danish Government's support for China's application for membership of the General Agreement on Tariffs and Trade.

China hopes that Denmark will make further efforts to help promote China's relations with the economic community, Tian said.

"With the Danish Government," he added, "the Chinese Government is willing to push bilateral trade and technology cooperation to a new stage."

Tian also met today with the president of the Danish Parliament, H.P. Clausen and they discussed the cooperation between the parliaments of the two countries and bilateral trade.

East Europe

Sun Weiben, Serbian Prime Minister Sign Accord

SK0406055792 Harbin HEILONGJIANG RIBAO
in Chinese 10 Apr p 1

[By reporter Yang Tianzhu (2799 1131 5511): "Shao Qihui and Bozovic Hold Talks, And Our Province and Serbia Sign the Summary of Talks"]

[Text] On the evening of 9 April, at Huayuancun Guesthouse, Sun Weiben, provincial party committee secretary and chairman of the provincial People's Congress Standing Committee, met with Radoman Bozovic, prime minister of the Serbian Republic of Yugoslavia.

On behalf of the Heilongjiang Provincial People's Government, Sun Weiben extended a warm welcome to the guests for their visit to the province.

Sun Weiben said: There is traditional friendship between the peoples of China and Yugoslavia. Chinese people cordially hope that the domestic situation in Yugoslavia will be stabilized soon.

Sun Weiben added: Since 1980 when friendly cooperative relations were established between Heilongjiang Province and Serbia, the two sides have made progress in the cooperation in many fields. The economic and trade cooperation between Heilongjiang Province and Serbia is mutually complementary to a great extent, and the potential in this aspect is very great. We hope that considerable progress will be made in future cooperation.

Joining the reception were Shao Qihui, governor of the province; Ma Guoliang, deputy secretary of the provincial party committee; Chen Yunlin and Du Xianzhong, vice governors of the province; Liu Gongping, secretary general of the provincial government; and Wang Yaochen, director of the provincial foreign affairs office.

Also attending the reception was Ilija Djukic, ambassador of Yugoslavia to China.

On the morning of 9 April, Shao Qihui, governor of Heilongjiang Province, and Serbian Prime Minister Bozovic held talks at Huayuancun Guesthouse.

Amid a cordial and friendly atmosphere, the two sides had a three-hour conversation on economic cooperation, trade contacts, scientific and technological exchanges, project contracts, and labor service cooperation.

Shao Qihui said: Heilongjiang attaches very great importance to cooperative relations with Serbia, and I deeply believe that the prime minister's visit will certainly push forward our friendly relations further.

Bozovic said: We are willing to expand economic cooperation on the basis of mutual benefit.

Prime Minister Bozovic invited Governor Shao Qihui to visit Serbia when it is convenient. Governor Shao Qihui happily accepted the invitation and expressed his thanks.

Among our side's personnel who were present at the talks were Chen Yunlin and Du Xianzhong, vice governors of the province; Liu Gongping, secretary general of the provincial government; Wang Yaochen, director of the provincial foreign affairs office; and Cai Kaifu, vice chairman of the provincial external economic relations and trade commission and concurrently director of the provincial border trade bureau.

That very evening, Governor Shao Qihui and Prime Minister Ledoman Bozovic signed the summary of the talks held by the Heilongjiang Provincial People's Government and the delegation of the Serbian Government.

Attending the signing ceremony were Chen Yunlin and Du Xianzhong, vice governors of the province; Liu Gongping, secretary general of the provincial government; and Wang Yaochen, Wang Wangui, Li Qinggui, Cai Kaifu, Zhang Wenke, Zhao Naiyan, and responsible persons of departments concerned.

The two sides decided through discussion: The governments of the two sides agree to sign the agreement on conducting government-to-government comprehensive barter trade to conduct trade in a sustained, stable, and comprehensive manner. The Heilongjiang Provincial Government expressed its willingness to transit products of a third country to Serbia within the scope of barter. The two sides also agreed that Heilongjiang and Serbia send government-level delegations to visit each other every second year.

Serbian Socialists Win Yugoslav Elections

OW0506033892 Beijing XINHUA in English
0245 GMT 5 Jun 92

[Text] Belgrade, June 4 (XINHUA)—The incumbent Socialist Party of Serbia (SPS) has won 73 of the 136 seats decided in the Yugoslav parliamentary elections, the parliamentary electoral committee has announced.

Of the major parties contesting the elections for 138 seats in the Chamber of Citizens, the People's Radical Party of Serbia has won 33, Citizen Community candidates have won three, and the Democratic Association of Vojvodina and Hungarians and the League of Communists-Movement for Yugoslavia have each gained two seats.

The SPS and the People's Radical Party respectively won 43.4 percent and 30.4 percent of the votes.

The election for two seats must be held again because of problems arising in the balloting.

However, the electoral committee has said this does not stand in the way of holding the first session of parliament in mid-June at which elections for president and the formation of a cabinet will be started in accordance with the electoral law and the new constitution.

The SPS said the returns indicated that the Yugoslav people supported its principles and would continue to live in the federal republic.

Vadislav Seselj, leader of the opposition People's Radical Party of Serbia, expressed his satisfaction with the outcome of the elections, but condemned the Western-imposed sanctions against Yugoslavia, which he contended had bolstered the SPS power.

The two main Serbian opposition parties, the Serbian Renaissance Movement and the Serbian Democratic Party, boycotted the elections, and declared publicly that they would overthrow the present government.

Hungarian Minister Visit To 'Improve' Ties

HK0206081392 Beijing CHINA DAILY in English
2 Jun 92 p 2

[By staff reporter Zhu Ling: "Hungary Seeks Trade With China"]

[Text] Budapest—The Hungarian foreign trade minister will leave for Beijing later this week on a mission to improve trade relations between Hungary and China.

"My six-day trip is aimed to reach an agreement of understanding with China on the removal of obstacles to our bilateral trade, which has dropped horribly over the past two years," Bela Kadar told China Daily.

On his first visit to China, Kadar will attend the sixth session of the joint economic committee, which is designed to settle trade problems.

He will meet with Chinese foreign trade minister Li Lanqing to discuss obstacles such as the information gap, high product costs, and the two countries' new economic systems.

Hungarian trade analysts expect this meeting to open new frontiers for bilateral co-operation between the two countries.

Both governments want to develop traditional trade ties; Hungary's market is rapidly expanding and the huge Chinese market offers Hungary great potential.

Trade between the two countries was \$55 million last year, as a result of a switch from traditional barter trade to hard currency payments, Chinese Customs said. The record high on Sino-Hungarian bilateral trade was \$350 million in 1986.

"Bilateral trade does not seem to be favourable this year as the total volume only stood at 123 million Swiss francs (\$8 million) in the first four months of this year," Kadar said.

Small- and medium-sized enterprises, which now comprise most of Hungary's economy, have not been active in foreign trade. If there is any, their trade is mostly with neighbouring countries, Kadar said.

Hungary's large state enterprises, which do most of the country's trade with China, are now undergoing the hectic transition to private ownership.

In fact, a major problem that hinders bilateral trade is the "tremendous" changes in the two countries' economic systems over the past five years, Kadar said.

"The enterprises do not know too much about each other's economic, political and legal changes," he said.

Hungary plans to finance market studies and organize seminars on how to improve trade with China, he said.

The minister also urged Chinese firms to increase their investment in the expanding Hungarian market.

So far, Hungary has absorbed about \$3.5 billion in foreign investment, 85 percent of which came in the past two years.

Chinese investment in Hungary is "almost nothing" at the moment, Hungarian trade analysts said.

Because China has such rich resources, these analysts think Chinese firms should cash in on Hungary's privatization programme, which calls for a majority of its state enterprises to go private by 1992.

China also seems interested in building up its presence in central Europe, analysts said.

Because Hungary is working to join the European Community by the year 2000, it can be a "vehicle" to drive Chinese products into the EC market.

Currently, there are about 100 Sino-Hungarian joint ventures, and "that is not too many," Kadar said.

He said both sides should consider jointly producing buses, chemical products and pharmaceuticals.

China officially opened a massive trade centre here late last month, a milestone in bilateral trade, Kadar said.

The centre, which showcases the latest Chinese products for orders, can promote both communication and trade between China and Eastern European countries, the minister said.

The minister said he expects more Hungarian firms to start joint ventures in China, because China and Hungary are expected to sign in Beijing an agreement exempting each other from double taxation.

Political & Social

Beijing 'Calm' on Tiananmen Square Anniversary

HK0406111392 Hong Kong AFP in English
1049 GMT 4 June 92

[By Pierre Lanfranchi]

[Text] Beijing, June 4 (AFP)—Chinese officials clamped down Thursday, the third anniversary of the Tiananmen Square massacre, by detaining four labor activists planning a vigil and accusing foreign correspondents of "illegal" activities.

A friend of the four labor activists, who included China's most prominent, Han Dongfang, said they were detained by police before the vigil to mark the 1989 crackdown on China's pro-democracy movement.

Generally, however, Beijing was calm, with no serious incident marking the anniversary. Major security measures were in place, especially on the square in the centre of the city, the focus of the demonstrations here in 1989.

Hundreds, perhaps thousands, of people were killed in the military crackdown which began on the night of June 3 to June 4 against a weeks-old movement for more democracy.

The square itself was deserted Thursday, unlike on regular days when Beijing residents promenade on the vast square flanked by the gates to the Forbidden City, with its giant picture of Mao Zedong, and the Great Hall of the People.

Access to Beijing University and its surrounding area was blocked, but students late Wednesday broke a few bottles, a symbol of their opposition to the government.

Han, 29, was released and escorted home early Thursday, but the three others, Zhou Guoqiang, Zhang Jinli and Song Jie were still in police custody, the friend said. Official confirmation was unavailable.

The activists had planned to take a silent walk around Tiananmen Square on Thursday to mourn the massacre.

If that was impossible, they were to mount the rostrum overlooking the square wearing black and white—the traditional colors of mourning—and stand there in silence.

Han led China's first independent trade union during the 1989 movement. The government declared it illegal after the crackdown and jailed Han for 22 months, during which time he contracted tuberculosis.

Meanwhile, Chinese foreign ministry spokesman Wu Jianmin said the correspondents—several of whom were attacked and arrested by plainclothes policemen Wednesday—"were making illegal coverage at the Tiananmen Square."

Wu's comments came in response to a question by Canadian Television journalist Jim Munson, who along with his cameraman Mike Nolan had been forced into a waiting car and detained for several hours for filming on the square.

Munson and Nolan were hit by plainclothes police and had their camera equipment confiscated for filming a lone Chinese protestor who attempted to unfurl a banner commemorating the massacre.

Eight foreign journalists—three Japanese, two Canadians, an American, a German and a New Zealander—were arrested and a few of them were beaten up Wednesday for reporting on Tiananmen Square.

Two other foreign journalists were arrested near universities.

"The department concerned... handled the case according to law," Wu insisted.

A cameraman for the Tokyo Broadcasting System, Atsushi Yamagiwa, was beaten by some 10 policemen and had to be taken to hospital. Yamagiwa, who at one point fainted, was detained and released a few hours later.

Yamagiwa, who had at one point fainted, was taken to hospital for treatment but was not admitted.

Japanese Embassy spokesman Masaharu Yoshida said the embassy's minister counsellor, Koichi Matsumoto, had protested earlier Thursday to Wu, who is the head of the information department of the Chinese foreign ministry, demanding an explanation for "the violence" used by police against Yamagiwa.

But Wu said at the conference that Yoshida "did not make application before to go to the Tiananmen Square. His coverage was illegal. He was shooting a Chinese citizen against the wish of this citizen."

Wu refused to admit that that this "citizen" had been a policeman, though he qualified the incident as "tragic."

"According to the relevant stipulations issued by the Beijing municipal government, the correspondents who want to cover Tiananmen Square should apply to the foreign affairs office of Beijing and should be subjected to the approval of the management committee of Tiananmen Square," Wu said.

This measure applies to television journalists, but they had not been disturbed in the days before the incident while filming on the square.

Dozens of plainclothes policemen have been posted at the square for the past few days, following, photographing and filming foreign correspondents.

Reporters Protest Beatings

HK0506094192 Hong Kong AFP in English
0905 GMT 5 June 92

[Text] Beijing, June 5 (AFP)—Beijing-based foreign reporters submitted a letter of protest Friday [5 June] to the Chinese government condemning the beating of several colleagues in Tiananmen Square. The Foreign Correspondents Club (FCC) of Beijing criticized the "wanton, unjustified and unprovoked violence" against reporters who were beaten and kicked Wednesday by plainclothes police.

Five countries—Japan, the United States, Canada, Germany and New Zealand—protested the beatings and sought clarifications from Beijing.

In a letter to Wu Jianmin, the head of the foreign ministry's information department, the club called on the government to investigate and punish the Chinese officials involved in the violence. Wu told a tense weekly news briefing Thursday that the Chinese who hit the foreign reporters were citizens, not plainclothes police.

"There is absolutely no way to justify this treatment, and we cannot believe that the foreign ministry would condone it," the FCC letter said. Atsushi Yamagiwa, cameraman for Tokyo Broadcasting System, was pounced on by a dozen security agents and had to receive treatment in hospital. "Mr Yamagiwa himself was told directly by one of the Public Security Bureau officers who interrogated him that his assailant was a policeman who had overreacted," the letter said.

A total of eight correspondents were detained Wednesday in the square, including some who went to cover a demonstration by a lone Chinese man. Wu said they had not obtained the necessary permission and broken regulations. Security in the square has been extremely heavy on the third anniversary of the June 4, 1989, military crackdown on the democracy movement.

Foreign journalists in China are overseen by the foreign ministry.

Dissident To Continue To Urge Democratic Reform

HK0506083892 Hong Kong AFP in English
0758 GMT 5 June 92

[By Peter Lim]

[Text] Hong Kong, June 5 (AFP)—Dissident Chinese journalist Dai Qing said Friday [5 June] she would continue to speak out for democratic reform, even if her views displease the authorities in Beijing who have agreed to let her return home. "It is my personal freedom to say and write what I like," said Dai, 50, who has been stranded in Hong Kong since Saturday when she was barred from boarding an Air China flight home to Beijing.

Following an unexpected intervention by Chinese Premier Li Peng, Dai—a Neiman fellow at Harvard University in the United States this year—was given permission to return home Sunday for a summer holiday.

"Could you believe it, coming from the hardliner Li Peng?" said Dai, a participant in the 1989 democracy movement that was brutally suppressed three years ago this week. "It is still my personal right to return to my country. No one can stop me from doing it," she told AFP. On her future plans, Dai said: "I have the right to express my opinions and I will continue to do so as a journalist."

"The government should accept different opinions, whether it likes them or not," she said. Besides being a proponent of democratic reform and free speech in China, Dai has been a vocal critic of the proposed Three Gorges hydroelectric dam on the Yangtze river.

She was jailed for 10 months in 1989 for her involvement in the Tiananmen protests, then detained again last November during a visit to Beijing by U.S. Secretary of State James Baker.

Beijing's decision to let Dai attend Harvard this year was seen as a concession to U.S. President George Bush, who has been resisting congressional pressure to take a tougher stand on human rights in China. Recalling her departure for Harvard last December, Dai said: "I heard before leaving Beijing... that my words and deeds would determine whether I would be allowed home."

Dai, a former reporter for the Communist Party's principal intellectual organ, the GUANGMING DAILY, said she did not participate in activities involving Chinese dissident organisations abroad. In Hong Kong, she stayed away from a demonstration Sunday and candlelight vigil Thursday commemorating the June 4, 1989 crackdown in Beijing in which hundreds, perhaps thousands, of pro-democracy activists were killed.

"This does not mean I don't care about democracy in China," Dai said, adding that she would continue in her writing to promote democratic reform, even if the articles cannot be published in China.

During the interview, Dai proudly showed a gold-pen freedom of expression award given to her on May 25 by the Paris-based International Federation of Newspaper Publishers.

"I will take this award home," she said. "It is not only for me, but for all the brave journalists in China who dare to speak up."

Tian Jiyun Calls for Opening 'Forbidden Areas'

HK0406031492 Hong Kong THE STANDARD
in English 4 Jun 92 p A-1

[By Cary Huang]

[Text] China's moderate leader Vice-Premier Tian Jiyun has called for the building of a nationwide Special Economic Zone (SEZ).

The plan calls for the breaking up of "forbidden areas" and opening them to world investment.

The appeal is understood to be a reflection of the No 4 Document of the Communist Party Central Committee, recently worked out to turn paramount leader Deng Xiaoping's latest instructions into concrete policies.

No 4 Document calls for the party leadership to extend the preferential economic policies enjoyed in the existing special economic zones to another 30 municipalities.

"There will be no great differences between the SEZs and the other parts of the country in the long term in view of their openness," Mr Tian told economic officials in a recent national meeting in Beijing.

He told regional economic officials that China would in the end build a nationwide single SEZ.

Chinese sources said yesterday the policies implemented in China's five SEZs would be introduced to the other parts of the country.

"What is different between the SEZs and the rest of the country now is that the SEZs are allowed to go a step ahead and to spearhead experimental policies," Mr Tian said.

He said once an experiment had proven successful in the SEZs, it would be introduced to the other regions.

He called for expansion of the country's policy of openness by breaking up "forbidden areas" in business sectors that barred or limited foreign participation.

Sources quoted Mr Tian criticising conservatives for obstructing Mr Deng's drive for reform.

"We have too many forbidden areas limiting the drive to open up China to the outside world," he said.

"While we are trying to build up the SEZs, some others are trying to build forbidden areas."

Steelworks Deepens Reform by Developing Democracy

HK0406041492 Beijing RENMIN RIBAO in Chinese 30 May 92 p 1

[Report: "Shanghai No. 3 Steelworks Deepens Reform by Developing Democracy"]

[Text] In the course of deepening enterprise reform, the Shanghai No. 3 Steelworks has attached great importance to ideological and political work. While working to change the concept of cadres, workers, and staff members and developing a public opinion environment favorable to reform, they have implemented, in the entire reform process, the guiding thought of fully and wholeheartedly relying on the working class. Through

practice they have come to realize that reform is an important matter for the enterprise and workers and staff members; that the resolve of a small number of people cannot replace that of 20,000 people, nor can the idea of the former replace that of the latter; and that only by consulting the masses and allowing them to decide on major issues can there be a mass foundation and a hope for success.

In November and December last year, the plant held the first and second sessions of the 11th congress of workers and staff members to especially deliberate and decide major reform issues. During the meetings, the principal reform documents were handed out to the 896 deputies for discussion. When deliberating the "Program for Implementing Coordinated Reform of Labor, Personnel, and Distribution Systems," many deputies raised questions about individual articles and clauses. To show respect for the deputies' demand, the presidium decided to extend the preliminary meeting one day, at which the plant reform leading group made a policy-related explanation on the drafting of the program and on issues of popular concern. The deputies were quite satisfied. During the two sessions, there was a warm atmosphere of deputies, cadres, workers, and other staff members discussing, studying, and consulting one another inside and outside the meeting place. In secret ballots, the overall reform program; the program for implementing coordinated reform of labor, personnel, and distribution systems; the provisional regulations on factory discipline; and the procedures for implementing the system under which employees' wages are determined by the level of skill demanded by their jobs were approved by 98.37 percent, 98.25 percent, 98.1 percent, and 95.14 percent of votes respectively. The workers and staff members were pleased to say: "The program should be thoroughly discussed, the views adequately raised, and the explanations given in full; if these are achieved, there will be no trouble in having it approved!"

As required by the change of mechanisms, the plant wanted to lay off a number of redundant personnel. If this work, which involved a wide range of issues and was very difficult, was not prudently handled, it would affect the reform's overall situation. Consequently, they set up check-up groups at two levels in all branch factories, departments, and workshops, stipulating that the number of workers' deputies should not be less than 50 percent; they made public the list of group members and the group work discipline and, after soliciting the views of workers and staff members, had them approved at the workers' congress by secret ballot. When retaining or laying off a worker or staff member, they made a point of soliciting the views of the person concerned, who was requested to make a self-assessment and was assessed by other people and by leaders; the average marks given by other people and by the unit were then promptly handed over to the person concerned. The check-up process was held openly, the votes were taken and counted on the spot, and the decisions made then and there, which fully embodied the principle of fair competition. Before the

check-up, the medium plate branch factory party committee set up a reception center for the workers and staff members. But only four people came to the center invariably asking about the treatment they would receive after they were made redundant. The Shanghai No. 3 Steelworks now takes the proper placement of redundant personnel as an important matter.

To encourage the workers and staff members to participate in the deliberation and administration of state affairs and to exercise effective supervision over all work in the course of reform, the plant party committee has also set up a special democratic management hotline "4490" and prominently carried the telephone number in the plant journal for three consecutive issues. Since its trial operation on 20 February, the plant has received and handled 64 cases through the hotline. After making telephone calls, many workers and staff members repeatedly praised: "We tried it out and it really worked!"

'Commentator's Article'

HK0406041592 Beijing RENMIN RIBAO in Chinese
30 May 92 p 1

[Commentator's article: "Deepening Reform Needs Good Ideological, Political Work"]

[Text] In deepening enterprise reform, it is necessary to closely link with reality and strive to do ideological and political work well to ensure and promote reform's smooth progress. The practice of the Shanghai No. 3 Steelworks and other units shows that, given the new situation of accelerated reform and opening up, not only is ideological and political work indispensable, but it also has bright prospects.

Reform and opening up is the way to a powerful nation; it is also an extremely extensive and profound social change. Every advance in reform is inseparable from solid and meticulous ideological and political work. Without this, not only is it difficult to correctly formulate and put forward a reform plan, but it is also impossible to effectively organize its implementation; it may even go astray. An undertaking of millions of people, the reform is in the fundamental interests of the broad masses of the people, and it will certainly bring practical benefits to most people. But the reform is neither straight nor smooth; still less can it be accomplished in one move. It needs long and arduous struggle and efforts; it sometimes carries risks, causes labor pains, and even affects the temporary interests of certain people and the partial interests of certain localities. We should mediate and guide all these through ideological and political work to help people clarify their hazy understanding, handle well the relationships between long-term and temporary interests and between general and partial interests, strengthen people's capability to withstand reform psychologically, achieve unity of thinking, unify people's will, and turn the reform into a conscious and voluntary action of the broad masses.

Involving a thousand and one things, ideological and political work is rich and colorful. But the most fundamental and central issue is to straighten out the sentiments of the vast numbers of workers and staff members and bring their initiative and creativity into full play. By submitting its reform plan to the workers and staff members for repeated discussions and by enlisting their democratic participation in the reform measures, the Shanghai No. 3 Steelworks has really turned its reform into an undertaking of concern to the vast numbers of workers and staff members and has carried out its work quite smoothly. Given the initiative of the vast numbers of workers and staff members, we can turn the party's policies and principles, as well as various tasks and measures for deepening the reform, into the conscious action of tens of millions of people and attain practical results. At the same time, people will make allowances for some difficulties, which involve the masses' interests and which cannot be solved for the time being; they will consciously suggest ways and means to solve the difficulties that have cropped up on our way ahead.

Naturally, to bring into play the initiative of workers and staff members, efforts should be made in numerous aspects, including satisfactorily solving a series of issues concerning structure, policy, management, and benefits. However, an extremely important aspect is to step up and improve ideological and political work.

Workers and staff members are both the master of socialist enterprises and a new force in enterprise reform. Doing ideological and political work well, respecting the status of workers and staff members as the master of enterprises, and bringing into play their initiative and creativity is a necessary condition for running a socialist enterprise well and a key to ensuring the smooth progress of reform. On the other hand, if ideological and political work departs from the basic point of arousing initiative, it will turn into empty talk, preaching, and formalistic affairs; it will even arouse the masses' aversion and dampen their enthusiasm. Therefore, in the course of deepening reform, we should closely center around the reform reality, use our heads more, step up and improve ideological and political work, guard against formalism, and place our starting point on bringing into play the initiative of the vast numbers of workers and staff members.

A most important experience for the success of rural reform is to bring into play the initiative of peasants in their hundreds of millions to participate in and plunge into reform. Likewise, in deepening enterprise reform, it is also necessary to bring into full play the initiative of the vast numbers of workers and staff members. In this sense, ideological and political work has a big role to play.

Capital Steel Secretary on Enterprise Autonomy

HK0506090292 Beijing RENMIN RIBAO
in Chinese 1 Jun 92 p 2

[Interview with Zhou Guanwu, secretary of Shoudu Iron and Steel Corporation's CPC Committee, by staff

reporter Jiang Shijie (3068 0013 2638): "Changing Government Function Is Key to Deepening Reform"; place and date not given; first paragraph is RENMIN RIBAO editor's note]

[Text] "Interview notes on deepening reform" have been published for our readers. Today, we have more conditions than at any time in the past to talk about reform, because we have acquired the feeling about reform practice in the last 10 years or so and have accumulated not a little experience. We also have lessons to sum up. Today we should, in comparison with any time in the past, talk all the more about how to deepen reform, because reform has entered a new and crucial period. Only by gathering more boldness, insight, and wisdom can we make reform develop healthily in a correct orientation and score new breakthroughs. Articles in this special column will explain the views of reform practitioners from different angles and aspects.

A few days ago, this reporter visited the Shoudu [Capital] Iron and Steel Corporation. It so happened that staff members and workers of the entire corporation were being released from work by stages and in groups for three days of study of Comrade Deng Xiaoping's important remarks made during his inspection of southern China. This reporter held casual conversations with several comrades who said that they "have ease of mind" and that the "spring of reform and opening up has come again."

What are the ideas of Zhou Guanwu, secretary of the party committee and chairman of the factory committee, on speeding up the pace of reform and opening up? This reporter interviewed him.

"Comrade Xiaoping pointed out: After the establishment of the socialist system, there is still the question of emancipating the productive forces. This is Comrade Xiaoping's consistent idea, is a creation, and provides a theoretical basis for socialist China's reform." Zhou Guanwu explained this view from his personal experiences.

He said: In the past, it was generally thought that after the establishment of our socialist system, production relations would remain advanced and it would be alright as long as the productive forces were well developed. As a matter of fact, our planned economic system with "unified state control over income and expenditure," "state monopoly over purchase and marketing," "unified allocation and distribution," and "unified job placement" as the main component seriously restricted the development of the productive forces and made it difficult to fully display the strong points of the socialist system. From the post-liberation days to the pre-reform period, the Shoudu Iron and Steel Corporation ended a history in which it had iron without steel and iron without ore and built a complete iron and steel enterprise possessing ore and steel. Because the economic structure was of a highly centralized nature, however, the relationship between government and enterprise was not

formed in an appropriate way, the enterprise did not have operational autonomy, iron and steel production could not proceed in coordination, obsolete equipment was difficult to renew, and annual steel output was only 400,000 metric tons, ranking last among the country's "eight major steel enterprises." At that time, our enterprise leaders wished to lead staff members and workers in doing something big but always felt that they were like "old cows which had fallen into a dry well—unable to exert their strength." "I remember the period of all-around contracted investment in this corporation in the late 1950's. This was after the party's Eighth National Congress, when the central authorities approved the transformation and expansion of the Shoudu Iron and Steel Corporation with an investment of 240 million yuan under an all-around contract by the Shoudu Iron and Steel Corporation. How did we use the investment? The Shoudu Iron and Steel Corporation drew up a program on it which included a construction program. When Comrade Liu Shaoqi came to the Shoudu Iron and Steel Corporation for an inspection, he appreciated our efforts very much, saying: Under a contract system, Chairman Mao is no longer the head of your family [bu zai dang ni men de jia 0008 0375 3981 0132 0226 4104 1367] and Premier Zhou is no longer head of your family, either. This family will be managed by yourselves. He added: Under this all-around contract system, the ownership system does not change but its structure. There is a big difference between contracting and not contracting. Subsequently this method was confirmed by Chairman Mao. Because enterprise development was linked to the staff members' and workers' interests, their initiative and creativity kept rising. Within a year, they built three major projects: the No. 3 blast furnace, the No. 2 coking furnace, and a sintering plant. What a pity the contract system was stopped in 1960. This good method was not carried on."

During the initial period of reform, this experience in the all-around contract system enlightened the Shoudu Iron and Steel Corporation's ideas on implementing a contract system. The success of the all-around contract system in rural areas helped strengthen their confidence in undertaking overall contracts. Since reform, relations between government and enterprises have become more relaxed than in the past. The Shoudu Iron and Steel Corporation, which had been bound hand and foot, was becoming active. In the last 13 years, the Shoudu Iron and Steel Corporation has developed into a big enterprise dealing in 15 undertakings including iron and steel, machine building, electronics, construction, and shipping, and owns eight big companies, over 100 factories, and 200,000 staff members and workers. In 1991, its sales amounted to 9.1 billion yuan, with profits of 2.36 billion yuan, 7.89 times those of 1978. In the last 13 years, it has delivered total profits and taxes of 11.48 billion yuan to the state, added newly increased fixed assets created for the state from its own funds, and delivered 15.68 billion yuan to the state. Practice suggests that after the establishment of the socialist system, links in the superstructure and production relations

which do not conform with the development of the productive forces should be constantly adjusted and the old economic structure should be fundamentally reformed. Only in this way, can the productive forces be emancipated further.

Zhou Guanwu said: After seriously studying Comrade Xiaoping's important remarks, the Shoudu Iron and Steel Corporation was of the opinion that to emancipate the productive forces further, the most important thing is to reform government organs, change government functions, and have better staff and streamlined administration. This is because our reform is proceeding at a time when the basic framework of the old economic structure remains unchanged. Following the deepening of reform, there will more frictions and clashes with the old structure. For example, when an enterprise makes more efforts for a continuous increase in its profit retention, this will contradict the financial system of unified state control over income and expenditure; if an enterprise caters to the market and sells its products through its own channels, this will contradict the commodity management structure of the state's monopoly over purchase and marketing; if an enterprise wishes to carry out expanded reproduction with its self-raised funds, this will run counter to the existing planning and investment system; if an enterprise wants to move toward the international market, it will be restricted by the foreign trade management system. In the final analysis, these contradictions reflect the inflexibility of the traditional product economic pattern to the socialist commodity economy and shows that those things in the existing government organs, systems, policies, laws, and regulations which hamper the development of the productive forces are carriers of the old economic structure and must be reformed. Just imagine, if government organs exercised direct management over enterprises, following an increase in enterprise numbers and expansion of undertakings, government departments and organs would become over-staffed, efficiency would decline, and bureaucratism would become bloated [peng zhang 5191 5195]. Will all these not become increasingly serious? Statistics suggest that in 1979 there were 15 million personnel in the country under budgetary expenditure and this number increased to more than 40 million in 1990. The country's administrative expenditure was 40.4 billion yuan in 1980 and rose to over 140 billion yuan in 1990, an increase of 250 percent, far exceeding the rate of increase for revenue and expenditure in the same period. To maintain the huge, annually increasing expenditures of government organs, the state will inevitably keep increasing the burden on enterprises, particularly large and medium-sized enterprises under ownership by the whole people. It is high time that we changed this situation.

"In changing government functions, powers which belong to enterprises should be returned to them first as soon as possible." On this point, Zhou Guanwu said: In some people's opinion, powers which should be delegated to enterprises have been delegated to them in

recent years; delegating power has reached the end of the road. As a matter of fact, this is not the case. In transforming enterprises' operational mechanism, enterprises deeply feel that autonomy is still most seriously lacking. The Shoudu Iron and Steel Corporation has been designated by the state as a reform experimental unit, but of the 13 kinds of enterprise autonomy provided by the Enterprise Law, foreign trade autonomy and the right to fund accommodation have not been put into effect so far, nor does an enterprise have rights equivalent to its actual strength in deciding an investment project. If these three kinds of powers are delegated to enterprises, people in the Shoudu Iron and Steel Corporation could make up their minds to move a big step higher in two or three years. The corporation's steel output will reach 10 million metric tons in 1994 and will become the country's first 10-million-tonnage iron and steel enterprise; it will turn it into a first-rate world transnational company in 1995 and will strive for entry into the ranks of the world's top 500 enterprises.

"In short, only when enterprises are enlivened can we talk about emancipating the productive forces. Reforming government organs, changing government functions, and allowing enterprises to operate independently are the key to deepening reform and also tasks of top priority!" Zhou Guanwu concluded significantly.

QIUSHI Commentator on Aims of Reform

HK0506075692 Beijing QIUSHI in Chinese
No 7, 1 Apr 92 pp 2-3

[Commentator's Article: "Reform Is Also Aimed at Liberating Productive Forces"]

[Text] The recent plenary session of the Political Bureau of the CPC Central Committee emphasized that the liberation and development of the productive forces should be the basic task of our party in leading the people to build socialism. With this in mind, it is imperative that we take economic construction as the central task, hold firmly to the four cardinal principles, and persist in the reform and opening up policy. The whole party must take positive steps to conscientiously study the series of important theses by Comrade Deng Xiaoping on building socialism with Chinese characteristics, seize the present favorable opportunity to speed up the pace of reform and opening to the outside world, concentrate our efforts on economic construction, and continue to press ahead along the socialist road with Chinese characteristics.

"Reform is also aimed at liberating productive forces." This scientific statement, which has elevated people's understanding of reform to a new height, is of great significance as a guiding principle for helping our party to adhere to the basic line during the primary stage of socialism and to boldly accelerate the pace of reform.

That revolution aimed at liberating the productive forces is well known to and understood by many people. In old

China, the three big mountains of imperialism, feudalism and bureaucratic capitalism seriously hampered and obstructed the development of the productive forces. It was only by overthrowing the three big mountains and crushing the old ruling machinery through revolution, and by establishing and developing the socialist economy under the protection and organization of the people's regime, that we were able to liberate social productive forces. However, our understanding of the contradictions between the productive forces and the relations of production and between the economic base and the superstructure under socialist conditions is a gradual one. Comrade Mao Zedong summed up experiences in the development of socialism, negated the viewpoint which stressed only unanimity and refused to recognize contradictions, and put forward his new theory regarding contradictions in a socialist society. However, since socialist construction has a short history and has very limited experience to offer, we do not understand well enough the incompatibility between the productive forces and production relations. Thus, we tend to emphasize the need to develop productive forces under socialist conditions and overlook the need to liberate productive forces through reform. The advocacy of the need for socialism to liberate productive forces through reform has greatly enhanced and deepened people's understanding of the basic contradictions in a socialist society, and has developed and enriched the scientific theories of Marxism on the basic contradictions in society. This is a scientific summary of our country's practical experience in reform and opening up to the outside world.

It should be admitted that although basic contradictions continue to exist in society after the establishment of the basic system of socialism, the nature of these contradictions has undergone fundamental changes. Having abolished a system of exploitation, socialist society will definitely be able to develop productive forces at a higher speed and ultimately achieve higher labor productivity than capitalism. It is true that we have achieved universally acclaimed successes in building socialism since the founding of the PRC and that the socialist system has started to demonstrate its advantages. However, we must be aware that these advantages have not been given full scope. This is due to a variety of reasons. The most important reason is that there are many drawbacks in our economic structure which do not correspond to and, in fact, seriously fetter the development of productive forces in our country. The main problems are that we tend to overlook the role of commodity production, the law of value, and the market. State control over enterprises is excessive and rigid, and no distinction is made between government and enterprise functions. Enterprises lack the necessary decision-making power. The practice of "everybody eating from the same big pot" prevails in the relations of the enterprises to the state and in those of workers and staff members to their enterprises due to serious egalitarian inclinations on the question of distribution. Such an economic structure certainly played a positive role for

some time, but its negative effects have since become ever more manifest. In the end, it has smothered the enthusiasm, initiative and creativity of enterprises and their workers and staff members, seriously hampered development of the productive forces, and robbed the socialist economy of its vitality. Unless reform is carried out, we will not have any future. Fundamentally changing the economic structure which fetters the development of the productive forces means liberating the productive forces. Only by establishing a socialist economic structure that is full of life and vitality through reform can we liberate and further develop the productive forces and give full scope to the advantages of the socialist system.

Reform must not only seek to change an economic structure that fetters the development of the productive forces, but must liberate people from the confines of old ideas and concepts. We must firmly embrace the concept that our reform is the self-perfection and development of the socialist system. It is conducive to the development of the productive forces, increasing the comprehensive strength of the nation, and improving the people's livelihood and will enable us to better adhere to and develop socialism. We may well say that it is only through reform that we can adhere to socialism, and it is only through reform that we can develop socialism. All old ideas and concepts that hamper reform are not conducive to our adherence to and development of socialism, and these ideas and concepts should be totally renounced.

To approach reform from the high plane of liberating the productive forces, it is imperative that we dare to blaze new trails, dare to act, and dare to experiment. All reforms are without parallel in history. There is no ready answer or mode. Without a dauntless revolutionary spirit of daring to put ideas into practice, we will not be able to find new paths and make new achievements. At the same time, we must boldly assimilate and draw on all civilized achievements created by mankind. We must assimilate and draw on all advanced modes of operation and methods of management that reflect modern laws of socialized production in the contemporary world, including those from developed capitalist countries. We must boldly and selectively make use of these modes and methods in the light of the actual needs of our socialist economic construction.

Since the Third Plenary Session of the 11th CPC Central Committee, we have achieved great successes which have never been seen in the past by implementing the basic line of "one focus, two basic points" championed by Comrade Deng Xiaoping. In the days to come, we must further increase our awareness in fully implementing the party's basic line, boldly make new innovations, dare to experiment, deepen reform, open wider to the outside world, better accomplish our historical mission of continuously liberating the productive forces in order to meet the needs of the development of the productive forces, and make new contributions toward building socialism with Chinese characteristics.

Article on Li Xiannian's 'Leftist' Activities

HK0406053092 Hong Kong CHENG MING
in Chinese No 176, 1 Jun 92 pp 8-9

[Article by staff reporters Lo Ping (5012 0393) and Li Tzu-Ching (7812 5261 0079): "Li Xiannian Strongly Recommends 'Leftist' Princes Party"]

[Text] "My Several Opinions and Suggestions," Plus "Leftist" Remarks

Li Xiannian, chairman of the Chinese People's Political Consultative Conference [CPPCC], who is getting on in years, has suddenly become active recently in the political arena.

At the beginning of last May, in his capacity as a Communist Party member and CPPCC chairman, Li Xiannian submitted a letter entitled "My Several Opinions and Suggestions" to the 14th CPC National Congress Preparatory Group and the CPC Political Bureau. He handed the letter to the leaders of the 14th CPC National Congress Preparatory Group personally, including Jiang Zemin, Qiao Shi, and Song Ping, who came to visit him.

A story has it that Li Xiannian said, while holding Jiang Zemin's hands: "You have done a good job during the last several years. It is not easy for you. We should firm our faith in the inexorable law that socialism is bound to triumph over capitalism; uphold Marxism-Leninism-Mao Zedong Thought; and take our own socialist road. The proletarian cause should be handed down from generation to generation, and the communist cause is bound to be realized in the entire world."

The "Leftist" Song Was Sung in Praise of His "Leftist" Aspirations

"Poetry tells of aspirations, while songs sing the praises of aspirations." After he made the above remark, Li Xiannian also sang a song praising his aspirations. Together with Jiang Zemin and others, he sang the Internationale.

What Li Xiannian said to Jiang Zemin and others was more like his last words before his death than a speech of "encouragement."

CPC Political Bureau's Comments: All This Is His Personal View

Li Xiannian's "My Several Opinions and Suggestions" has already been read aloud at a Political Bureau meeting. The Political Bureau made the following comments: "All these are the personal suggestions and views of revolutionary of the older generation Comrade Li Xiannian."

His three-point opinions are as follows:

1. The party should impose control over party building. Party organizations, from organs directly under the

central authorities to local departments, units, enterprises, administrative institutions, schools, and rural areas, should give guidance on the political line and orientation. With many tasks to perform, we should uphold the party's leadership as the core.

Emphasizing Four Upholds and Persisting in Promoting "Leftist" Officials

2. The party's basic line is the general principle for the whole party and country. To expedite the building of a socialist society of four modernizations with Chinese characteristics, the key issue is to grasp firmly the four upholds.

3. We should expose and oppose the imperialists' strategic goal of invasion, subversion, and interference, as well as their attempt to dominate the world. It is one of the basic major tasks for the Communist Party and party organizations at all levels to expose and strike back at the imperialists' strategic plan to carry out peaceful evolution in socialist society.

Li also put forward the following five-point suggestion:

Selection and Promotion of Successors Should Be Based on Their Consistent Political Stand

1. Leading bodies of the party and government at all levels should be built up in accordance with the principle of the three-in-one combination of the old, the middle-aged, and the young, mainly relying on the middle-aged.

2. In selecting, promoting, and training our successors, we should take into account their consistent political stand, ideological attitude, and work performance. We need to bring up and promote outstanding young cadres in work, study, and struggle over a relatively long period of time.

3. We must reinforce Marxist and Leninist theoretical studies inside the entire party, and learn how to use Marxist and Leninist theories to solve and analyze problems in our practical work. We should conduct theoretical appraisals among middle- and high-ranking cadres, and make it one of the major preconditions for their promotion.

Selecting Those of the Princes Party as Successors

4. We should foster and show care and concern for the descendants of revolutionaries of the older generation and revolutionary martyrs. With a view to ensuring that there is no lack of successors to carry on the revolutionary cause of the proletariat, we need to carry through the work politically and organizationally, remove man-made interference, and boldly promote them to leading positions at all levels.

5. To purify party and government leaders at all levels, it is imperative to remove and discharge those leading cadres who refuse to carry out the party's basic line; fail

to have moral integrity; and comply with Marxism-Leninism-Mao Zedong Thought in public but oppose it in private.

A "Leftist" Declaration

One person made the following criticism after reading Li Xiannian's "three-point opinion and five-point suggestion": "This letter mentions nothing new. It is a representative work of party jargon and formalism, and can be considered a 'leftist' declaration."

However, if one reads the letter carefully, one will uncover some ulterior motives among the party jargon and formalist stuff.

He Worries That the Children of High-Ranking Cadres Can Find No Access to the 14th CPC National Congress

The basic tone of Li's "declaration" was virtually a reproduction of Chen Yun's "another center." With this "declaration," Li put on a rival show to Deng's theory of "one center."

It has been learned that Li Xiannian said to the CPC leaders who came to visit him on 29 April: "I really feel a little worried. Why can the children of good comrades and revolutionaries of the older generation, who have strong party spirit and Marxist belief, not be nominated as candidates for membership and alternate membership of the party's 14th Central Committee?"

In early May, Li Xiannian made another move. In his capacity as a Communist Party member, he submitted a name list of 28 people, who are all children of living CPC leaders who have retired or retreated to the second front. Among those who were nominated on the list to run for membership of the 14th CPC Central Committee were Chen Yuan, son of Chen Yun; Wang Jun, son of Wang Zhen; sons of Peng Zhen, Bo Yibo, Yao Yilin, Wan Li, and Xi Zhongxun; and Deng Pufang and Deng Nan, son and daughter of Deng Xiaoping.

Attempting To Squeeze Chen Yuan and Wang Jun Into the CPC Political Bureau

What Li had done aroused dissatisfaction among some high-ranking CPC figures. Analysis shows that by listing so many names, Li Xiannian's real intention was to squeeze only two persons, namely Chen Yuan and Wang Jun, into the CPC Central Committee. It is hardly believable that Chen Yun and Wang Zhen were not involved in the drafting of said list.

All the above developments have made people see more clearly that Li Xiannian is not only a "leftist" leader, but also a key member of the Chen Yun faction.

Qiao Shi Article Links Judicial Work, Economy

*OW0406144492 Beijing BAN YUE TAN
in Chinese No. 6, 25 Mar 92 pp 4-6*

[Article by Qiao Shi [0829 4258]: "Employing Laws As a Weapon to Better Serve Economic Construction"]

[Text] The key is to develop the economy—this is one of the fundamental experiences of China's socialist construction. Since the Third Plenary Session of the 11th CPC Central Committee, Comrade Deng Xiaoping has repeatedly pointed out that the fundamental task of socialism is to develop the productive forces. A fundamental manifestation of the superiority of the socialist system is its ability to bring about better and faster development of the productive forces. Consolidation and development of the socialist political and economic systems depend on the development of the productive forces. The results of correct political leadership are manifested, in the final analysis, in the development of social productive forces. Economic development is the center of our work. All other work must be subordinate to and must center around this central task instead of hampering or disrupting it. We must keep a tight grip on and "stubbornly" hold on to it without the slightest wavering. The party's basic line—one center and two basic points—is an integral whole. Upholding the four cardinal principles and persisting in reform and opening up to the outside world require us to focus on the central task of economic development. Each and every comrade must be absolutely clear on this point and there must never be any wavering. Comrades on various fronts certainly have their own emphasis in work, but they should never deviate from a full understanding of the party's basic line.

Last year's Central Work Conference and Eighth Plenary Session of the 13th CPC Central Committee further elaborated on the principles and policies of further strengthening agriculture and the work in rural areas, and of promoting a sustained economic development and their strategic significance; at the same time, it set even greater demands on safeguarding public order in cities and in the countryside and on bringing into full play the role of judicial and public security work as a guarantor. Judicial and public security departments at all levels must earnestly implement the guidelines of the two meetings by making service for economic construction the starting point and ultimate objective in all of their work to create a good social environment for the invigoration of state-owned large and medium-sized enterprises and the development of socialist economy; and make still greater contributions to the achievement of the second-step objectives of socialist modernization.

1. Deepen the Struggle Against Crimes in the Economic Area

Practice shows that crack downs on economic crimes has a bearing on whether reform and opening up will be implemented in a sound way and whether socialist modernization will be carried out smoothly; also at stake

are the success or failure of the anti-corruption struggle and the rise and fall of the socialist system. We must earnestly study and firmly implement Comrade Deng Xiaoping's instruction on promoting reform and opening up on one hand and cracking down on economic offenses on the other. Under the leadership of party committees and governments, we must resolutely eliminate resistance and interference and issue severely punishment according to law perpetrators of grave economic offenses, with the focus on corruption and bribery. We must firmly keep in mind the idea that cracking down on economic offenses represents a direct service to economic construction, and must handle cases of economic offenses appropriately and promptly. We must firmly correct phenomena of loose law enforcement and insufficient punishment such as "substituting criminal sanctions with fines" and sentences incommensurate with the severity of the offenses. In handling cases—particularly cases involving state-owned large and medium-sized enterprises, the science and technology sector, and village and township enterprises—we must properly handle the relationship between cracking down on crimes on one hand and protecting legitimate rights and interests on the other. We must draw a hard and fast line between legitimate business exchanges in economic activity and economic offenses. In cases where the line between guilty and innocent is fuzzy or in dispute, efforts should be made to study them carefully or submit them to higher levels for consideration. We must improve our work style and methods for handling cases. We must take into consideration the political, economic, and social impacts of the cases handled, avoiding handling a case in isolation or considering it as it stands without taking into account its impact. At the same time, relevant judicial and public security departments must earnestly study the new situation and problems arising from the crackdown on economic crimes, and whenever necessary promptly make judicial interpretations when such interpretations are due or take the initiative to ask the legislative bodies to revise or formulate laws.

2. Fully Employing Laws As a Weapon in Safeguarding a Normal Economic Order

Enhancing law enforcement in the economic sector and giving full rein to the functions of law in restraining and guiding economic activity and safeguarding economic order—these are the major aspects of judicial and public security departments's direct service to economic construction. In view of the current complicated situation of rising economic disputes, it is even more essential to improve judicial work. Through our various law-enforcement activities, we must help promote the development and improvement of a new commodity economic structure as well as a new operating mechanism combining the planned economy with market regulation; we must also help bring about and develop an economic order that will facilitate implementation of structural readjustment and improvement of economic efficiency by state-owned large and medium-sized enterprises. We must firmly mete out economic sanctions on illegal

businesses and operations that violate state economic administrative regulations and harm the legitimate rights and interests of the state, collective, and individual. Those whose offenses constitute a crime should be investigated for criminal responsibility to ensure the smooth implementation of the state's macroeconomic control. We must properly handle economic disputes involving state-owned large and medium-sized enterprises and scientific and technological development; we must properly handle cases involving the household responsibility system with remuneration linked to output and other basic policies for rural areas; and we must safeguard the sound development of diverse sectors of the economy with public ownership as the main one. We must firmly resist interference in judicial work from local or departmental protectionism, eliminate all interference and resistance, step up law enforcement, and safeguard the dignity of the law. We must carefully handle in accordance with law economic disputes involving foreigners and provide legal guarantees for opening wider to the outside world.

3. Stepping Up Efforts in Publicizing the Legal System and in Providing Legal Services; Actively Participating in the Comprehensive Improvement of the Economic Order

Giving publicity to the legal system and guiding economic activity to develop in a coordinated, orderly, steady, and sound manner in line with socialist laws—these are the long-term tasks of the judicial and public security departments. In addition to carrying out the second 5-year plan for publicizing the legal system, judicial and public security departments should penetrate publicity of the legal system in all links of law enforcement and operations. They should improve legal consultation and notary services and expand the scope and quality of service. Particularly, greater effort should be made to improve legal advisory work for government departments and state-owned large and medium-sized enterprises, help them administer economic activities in accordance with law, and promote the sound development of production and operation. We should step up security work at key state construction projects and state-owned large and medium-sized enterprises. We should strengthen and improve the administration of special trades, transportation, fighting, and entry and exit in order to facilitate production and operation while preventing crimes and security incidents. With the focus on the priorities and orientation of rural reform, we should work hard to stabilize the party's basic policy for rural areas and provide legal services to deepen rural reform.

Guangzhou, Shanghai Crack Down on Crime, Vice

HK0406131692 Hong Kong AFP in English
1247 GMT 4 June 92

[Text] Beijing, June 4 (AFP)—Six criminals were executed in southern China, including two pimps who

robbed men soliciting prostitutes, as Shanghai launched a crackdown on drugs and prostitution, newspapers said.

Another five were sentenced to prison terms ranging from 10 to 20 years in Guangzhou, the YANGCHENG EVENING NEWS [YANGCHENG WANBAO] said in a report received here Thursday.

Liu Xiqiang and Wang Dagang stole 30,000 yuan (5,450 dollars) after using prostitutes to lure customers into a hotel. They fatally injured one man and seriously injured another.

The death sentences were announced Wednesday at a public meeting near Guangzhou, capital of the southern province of Guangdong, and carried out immediately.

Meanwhile, Shanghai authorities revealed a growing concern with drug abuse and prostitution and decided Wednesday to launch a four-month crackdown on the two vices from June, the city's WEN HUI BAO said.

Police in the first four months of the year uncovered 155 cases of prostitution involving 326 people. Last year, 114 cases of selling and using drugs were uncovered and 91 people arrested.

The city's Deputy Communist Party Secretary, Ni Hongfu, called for concerted efforts to "nip in the bud" drug abuse and prostitution, the paper said. More than 120 city leaders attended a meeting to discuss the crackdown.

Activities of Vice Premier Wu Xueqian Detailed

Urges Yunnan Tourism During Inspection

OW0106071292 Beijing XINHUA in English
0647 GMT 1 Jun 92

[Text] Kunming, June 1 (XINHUA)—Tourism in areas occupied by indigenous minorities should emphasize the local culture and characteristics, according to Vice Premier Wu Xueqian.

During his recent inspection to this southwestern China's Yunnan Province, Wu noted the abundance of tourism resources with distinctive architecture, song and dance.

He added that distinctive features should be capitalised on by all regions.

Tourism in Yunnan has grown rapidly in recent years. Air services have expanded and most hotels are filled with overseas visitors.

Major attractions are the stone forest near kumming inhabited by the Yi people, the Xishuangbanna tropical zone, home to the Dais, and the Dali Cangshan mountains and Lake Erhai where the Bai people live.

Inspects Guizhou

HK0306072492 Guiyang Guizhou People's Radio
Network in Mandarin 2300 GMT 26 May 92

[Excerpt] Wu Xueqian, member of the CPC Central Committee Political Bureau and vice premier, stressed while inspecting Guizhou: In the course of deepening reform and opening wider to the outside world, efforts should be made to introduce and utilize foreign funds to tap tourism resources and develop local economy.

From 23 to 26 May, accompanied by Wang Chaowen, governor, and Long Zhiyi, provincial party committee deputy secretary, Wu Xueqian and his entourage, including Liu Yi, National Tourism Administration director, and (Ling Qingzhou), assistant to director of the Taiwan Affairs Office, traveled to Anshun and Guiyang on an inspection tour. They went right to factory workshops and scenic tourist spots to find out about the situation there and discussed with local cadres and enterprises' management ways to develop local economy.

Being one of the most typical areas featuring karst topography, Guizhou boasts beautiful hills and waters, various nationality styles and features, many memorial sites where revolutionary incidents took place, countless places of historic interest and scenic beauty, delightful weather, and rich tourism resources. Wu Xueqian paid great attention to and was very much concerned about Guizhou's plan for developing tourism.

On 26 May, on behalf of the provincial party committee and government, Wang Chaowen gave Vice Premier Wu Xueqian an elaborate account of Guizhou's situation. Vice Premier Wu Xueqian expressed appreciation of Guizhou achievements. He pointed out: Guizhou is rich in tourism resources and has great potential in this respect. However, Guizhou was a little late in developing tourism and further efforts are necessary. Tourism is an economic, as well as a social, undertaking. If you do a good job in developing tourism, it is highly advantageous to local economic development and to socialist spiritual civilization. To tap tourism resources, you must have the necessary funds in hand. Absorbing and utilizing foreign funds through various channels plays an important role in raising the funds. Guizhou has many scenic spots for tourism. You must give wider publicity to them, make an overall plan for developing tourism, concentrate funds on key projects, and develop tourist attractions by stages to strive for better efficiency. You must also build other supportive facilities to provide satisfactory and necessary service to tourists. You should try to effect an upswing in developing tourism, regarding tourism as an important aspect of the tertiary industry. [passage omitted]

Song Ping, Li Tieying See Child Care Exhibition

OW0206224592 Beijing XINHUA Domestic Service
in Chinese 1414 GMT 2 June 92

[By reporter Tang Hong (0781 5725)]

[Text] Beijing, 2 June (XINHUA)—Since its opening on 31 May, the first national exhibition on optimum methods for child bearing, child rearing, and education has drawn widespread attention from all segments of society. Comrades Song Ping and Li Tieying viewed the exhibition this evening.

During their visit to the exhibition, Song Ping and Li Tieying learned about the remarkable achievements attained by our country in practicing the "three optimum methods" over the past four decades or so. They were very pleased to see new products and technologies developed for this purpose. They expressed the hope that the entire society would show concern for children and help them grow up into healthy and happy adults.

Since the founding of New China, especially during the past decade or so, our country has made substantial headway in introducing optimum methods for child bearing, child rearing, and education. This has led to a gradual decline in natural population growth rates, child-birth and infant mortality rates, and birth defects. The numbers of illiterate and functionally illiterate children have also dropped. China is catching up with the developed countries in fulfilling many child bearing, child rearing, and educational targets.

The exhibition is a grand event to publicize state family planning policies, to disseminate scientific knowledge regarding the "three optimum methods," and to exchange new research and production achievements and technologies in this respect. On display were over 6,000 items contributed by 30 provinces, autonomous regions, and municipalities directly under the central authorities; by relevant ministries and commissions under the central government; and by 38 delegations from Taiwan. Each day, over 10,000 visitors view the exhibition where some 2,000 people are on hand to offer expert advice.

State Councillor Li Tieying Meets Professors

OW0306072892 Beijing XINHUA in English
0710 GMT 3 Jun 92

[Text] Beijing, June 3 (XINHUA)—Chinese State Councillor and Minister in Charge of the State Education Commission Li Tieying met with Professor Shiing Shen Chern, his wife Shih Ning Chern and Professor Chen Ning Yang and hosted a luncheon in their honor here today.

The Cherns and Yang are here on a visit as guests of the Nankai University, the Henry Ying Tung Fok Education Foundation and the Chinese Academy of Sciences.

Minister: Family Planning Remains Basic Policy

HK0106055092 Beijing CHINA DAILY in English
1 Jun 92 p 1

[By staff reporter: "Do Not Neglect Family Planning, Says Official"]

[Text] The head of China's birth control programme has said family planning must not be neglected as the country embraces reform.

Peng Peiyun, minister of the State Family Planning Commission said family planning remains one of the basic State policies and must be implemented unswervingly.

She believed a slowed population growth would alleviate burdens on social and economic advancement, and thus help accelerate the country's modernization process.

She urged local governments to include family planning work in government programmes for economic and social development and take all steps to help the masses quit traditional concepts that favour more children.

Peng has just finished inspections of rural areas south of Suzhou, the boom city of Jiangsu Province.

She spoke highly of the achievements in Suzhou, and said their experience should be spread to other rural areas.

Suzhou's industrial and agricultural output ranks fourth behind Beijing, Tianjin and Shanghai.

But it suffers from a shortage of arable fields, big population and high population density.

It has three urban districts, one suburban district and six counties, with about 5.6 million residents, of whom more than 80 percent live in the rural areas.

About 656 people live in every square kilometre of land area, 5.8 times more than the national average.

Over the past two decades, population development in Suzhou has been transformed. Last year, the birth rate dropped to 10.95 per thousand, more than 8 per thousand lower than the national average.

Population growth declined to 4.44 per thousand compared to 12.98 nationally.

More than 92 percent of eligible women have taken contraceptives, and more than 93 percent of babies born last year are only children.

The average number of children for each Suzhou woman is 1.31, yet many rural women have more than two.

Demographers said the changes were because of stronger government leadership, improved living quality and health care services and also the improvement in literary standard.

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in Chinese 30 May 92 p 5

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Military

Jiang Zemin Inscribes for Nie's Resting Place

OW2905212392 Beijing XINHUA Domestic Service in Chinese 1244 GMT 29 May 92

[By reporter Xu Zhimin (6079 1807 2404)]

[Excerpt] Jiuquan, 29 May (XINHUA)—Some of the ashes of the late great proletarian revolutionary and strategist Marshal Nie Rongzhen were taken to the Jiuquan Satellite Launching Center of the National Defense Science, Technology, and Industry Commission by his relatives and responsible comrades from the department concerned. They were placed there today, where China's first conventional guided missile and first nuclear guided missile were test launched and her first satellite lifted off.

"Comrade Nie Fongzhen is with us forever," an inscription written by General Secretary of the CPC Central Committee Jiang Zemin, was carved on a granite wall where Marshal Nie's ashes lie.

Marshal Nie was in charge of our country's and army's scientific and technological work for a long time. He was a great founder of China's science and technology for national defense. [passage omitted]

Wang Zhen, Bo Yibo Mark Ye Jianying Birthday

OW3005112292 Beijing XINHUA in English 1040 GMT 30 May 92

[Text] Guangzhou, May 30 (XINHUA)—A symposium on Chinese late Marshal Ye Jianying ended in Guangzhou City, capital of Guangdong Province, today.

Jointly sponsored by China Military Scientific Society and Guangdong Provincial Society of the History of the Chinese Communist Party, the symposium is to mark the 95th anniversary of Ye Jianying's birthday.

Wang Zhen, Chinese vice president, and Bo Yibo, vice chairman of the Central Advisory Commission of the Chinese Communist Party and other Chinese leaders sent their congratulation letters to the symposium.

Ye Jianying, also the late chairman of the Standing Committee of the National People's Congress, died on October 22, 1986, at the age of 90.

More than 100 scholars from historical research fields in the party and in the Army attended the symposium.

The three-day symposium received more than 70 essays on Ye Jianying's theoretical contribution to political, economic, military, diplomatic and united front work.

Yang Baibing at Military-Affiliated Kindergartens

OW0106172092 Beijing Central Television Program One Network in Mandarin 1100 GMT 1 Jun 92

[From the "National News Hookup" program]

[Text] Yang Baibing, secretary general of the Central Military Commission, and the leader of the People's Liberation Army's [PLA's] three general departments, visited kindergartens on International Children's Day to observe the holiday with teachers and children.

Currently, the armed forces have 2,270 assorted kindergartens and approximately 30,000 kindergarten workers. With direct solicitous support from the Central Military Commission and the PLA's three general departments, relevant departments have allocated funds specifically to improve the conditions of kindergartens at the grass-roots level. This has greatly raised the level of preschool education.

The leaders of the three general departments urged kindergarten employees to show the utmost care in teaching school, to cultivate the young crops of China, and to make fresh contributions toward conducting preschool education in the armed forces in a down-to-earth manner.

Song Jian Chairs Meeting; Praises Nie Rongzhen

OW2905212492 Beijing XINHUA Domestic Service
in Chinese 1132 GMT 29 May 92

[By reporter Yang Zhaobo (2799 0340 3134) and apprentice reporter Liu Gang (0491 0474)]

[Excerpts] Beijing, 29 May (XINHUA)—A meeting was held by Beijing's science and technology circles in the Great Hall of the People today in memory of Comrade Nie Rongzhen's indelible contributions to China's scientific and technological undertakings.

Song Jian, state councillor and minister of the State Science and Technology Commission, presided over today's meeting. He said: For a long time, Comrade Nie Rongzhen was in charge of our country's science and technology work. He erected many monuments to the development of New China's scientific and technological undertakings. He led in formulating China's first science and technology development plan—"Outline of Long-Term Science and Technology Development Plan for 1956-1967"—and participated in its successful implementation. He personally directed the establishment of research organizations, test bases, and schools for various specialties, as well as the organization of research personnel. Song Jian emphatically pointed out: Comrade Nie Rongzhen set a brilliant example for the whole party to follow in winning over intellectuals and giving full play to the creativity and initiative of science and technology personnel. Since the start of reform and opening to the outside world, he joined Comrade Deng Xiaoping in actively advocating and promoting the good practice of "respecting knowledge and talented people." Nie Rongzhen's contributions in this regard have clearly shown the right way and laid a solid foundation for the development of our science and technology. [passage omitted]

Zhang Aiping, Zhang Jingfu, Lu Jiayi, Gan Ziyu, and more than 100 well-known figures from the scientific and technological circles attended the meeting today.

The meeting was co-sponsored by the State Science and Technology Commission, the National Defense Science, Technology and Industry Commission, and the Chinese Academy of Sciences.

Defense Minister Inspects PLA Unit in Zhejiang

OW2905222692 Hangzhou ZHEJIANG RIBAO
in Chinese 21 May 92 p 1

[Dispatch by Tang Gaosheng (3282 7559 0581) and Xu Yiming (6079 1355 2494): "Qin Jiwei Calls on Officers and Men of 'Hard-Boned Sixth Company' Unit"]

[Text] General Qin Jiwei, state councillor and minister of national defense, inspected yesterday the unit to which the "Hard-Boned Sixth Company" belongs. He encouraged officers and men in the unit to display the "hard-boned" spirit and build a hard-boned outfit. He

was accompanied on the inspection tour by Major General Wu Quanxu, a corps commander under a group army in Zhejiang; and Major General Wang Tongzhuo, political commissar of the corps.

After listening to a briefing by the unit commander Senior Colonel Liang Chaoqing, General Qin Jiwei put forward some new goals for the battle-tested heroic unit. He encouraged officers and men to keep and carry forward the glorious traditions, make the unit even tougher in combat thinking, combat style, military skills, and army discipline, and truly turn it into an all-around hard-boned unit.

When told about the unit's successful support for local reforms and economic construction, General Qin Jiwei cheerfully said: Our army has always been an armed group implementing the party's political line. Since the party and the people place high hopes on the army, we should actively support the country's economic construction while accomplishing all combat-readiness tasks.

During the tour, General Qin Jiwei also called on officers and men in grass-roots units and inspected their training, management, logistics, agricultural, and sideline production work.

East Sea Fleet Combined Forces Maneuver Ends

OW0306110992 Beijing XINHUA Domestic Service
in Chinese 0146 GMT 3 Jun 92

[By reporter Wu Senhui (0702 2773 6540) and correspondent Zhang Hanting (4545 3352 0080)]

[Text] Hangzhou, 3 Jun (XINHUA)—The navy's East Sea Fleet recently completed with great success a maneuver with actual troops in the distant East Sea waters. The maneuver was participated in by air units and scores of vessels from more than 10 classes.

It was a tactical maneuver which combined sea, air, and submarine units in operations both offshore and at sea, using singular and combined forces, from low-level circulation to a higher level three-dimensional combined exercise. The purpose of the maneuver is to study and explore ways for coordinating various forces and raising the comprehensive naval defensibility under the condition of modern warfare. Compared with previous maneuvers, the latest is richer in substance, more difficult in its assignments, and strongly resistance and contingency oriented.

In the course of the maneuver, destroyers and corvettes performed outstandingly in simultaneous shooting with live ammunition; vessels speedily carried out supply in horizontal, vertical, and parallel forms on the first try; and corvettes for the first time successfully conducted shooting exercises with self-pulled target ships on the high seas. Despite the long duration, far distance, high intensity, fast speed, and diversity of the assignments, the entire ocean-going formation of forces demonstrated

its good training and combat capability by moving freely, keeping in touch with each other, forging with other forces, and attacking accurately.

PLA Stresses Environmental Protection

OW0306131892 Beijing XINHUA Domestic Service
in Chinese 0500 GMT 3 Jun 92

[By reporter Cao Zhi (2580 2535) and correspondent Hao Peng (6787 7720)]

[Text] Beijing, 3 Jun (XINHUA)—The People's Liberation Army [PLA] in recent years has spent a large amount of money on treating thousands of sources of pollution and has effectively improved the environment in and around the barracks. Premier Li Peng praised the PLA for paying attention to environmental protection and playing a leading role in promoting environmental protection across the country.

The PLA has dealt with the following sources of pollution: waste liquid with germs from medical organizations; radio isotope waste liquid; the three wastes [gases, liquid, and residue] and noise from chemical works and repair plants; smoke and dust from boilers; waste liquid from missile propellants; radioactive waste; electromagnetic radiation; motor vehicle exhaust; and oil-content waste water discharged from ships.

With efforts made by the entire PLA, the PLA environmental protection work which was started in the 1970's has gradually become regular work governed by laws and regulations. Over the last several years the PLA has successively promulgated such environmental protection regulations as "Environmental Protection Regulations of the Chinese People's Liberation Army," "Environmental Protection Procedures for Military Factories," "Provisions for Management of Hospital Waste Liquid Processing Stations," and "The All-Army Eighth Five-Year Plan and the 10-year Program for Environmental Protection." These regulations have become the basis for the PLA's environmental protection work. To clarify the obligations and responsibility of pollutants, the PLA environmental protection committee has decided that from now on it will publish annually the names of major army units which pollute the environment as well as the units which cause serious pollution and neglect pollution control. The committee will take administrative action to require those units to make corrections within a prescribed time.

While protecting the environment according to law, the PLA units have effectively made comprehensive efforts to improve the environmental conditions in barracks and military installations. They have built 2,900 garden-like barracks. A number of offices, troop units, military schools, hospitals, warehouses, airfields, military harbors, and factories have successfully landscaped their surroundings. To apply science and technology in environmental protection, the PLA has successively set up an "All-Army Environmental Protection Monitoring Center" and an "All-Army Environmental Science

Research Center." Corresponding organizations have also been established at all major units of the PLA. So an environmental science research network has taken shape, with more than 100 scientific research results achieved in recent years.

Troops Contribute to Pudong, Shanghai Development

OW0306122792 Beijing XINHUA Domestic Service
in Chinese 0157 GMT 3 Jun 92

[By reporter Chen Cao (7115 2580) and correspondent Jiang Yuezhong (3068 6460 0022)]

[Text] Shanghai, 3 Jun (XINHUA)—Officers and men of the Army, Navy, and Air Force stationed in Shanghai have supported Pudong's development with deeds, making contributions to revitalizing Shanghai.

Since the CPC Central Committee and the State Council made the decision to develop Pudong, troops stationed in Shanghai have widely participated in contributing to Pudong's development and Shanghai's revitalization. The masses of officers and men have endeavored to help local authorities improve the investment climate; have participated in the construction of major projects; and have undertaken urgent, difficult, dangerous, and heavy tasks. According to statistics, in the last two years troops in Shanghai have sent more than 150,000 soldiers and 40,000-plus vehicles to take part in the construction of more than 10 major projects, including a water diversion project in the upper reaches of Huangpu Jiang, the Pudong Gas Plant, the Nanpu Bridge, and the Yangpu Bridge. The expansion of the Yangge Highway is an infrastructural project for Pudong's development; troops in Shanghai have sent nearly 10,000 officers and men to work along a section of more than 20 km, making contributions to the completion ahead of schedule of the highway, which links Puxi and Pudong. A garrison unit stationed in Pudong volunteered to undertake difficult tasks in a project of the No. 3 Plant of the Shanghai Steel Corporation, a project of a chloric-alkali factory, and in the construction of the Yangpu Bridge and other key projects. The unit was hailed as the vanguard in Pudong development for its hardworking spirit.

The Air Force and Navy stationed in Shanghai made use of their modern equipment and technology in developing Pudong. Since the beginning of this year, the Air Force and Navy have dispatched nine batches of airplanes for photographing and reconnaissance missions over Pudong, winning high marks from departments concerned.

'Roundup' on Armed Forces Serving Reform, Opening

OW0206100292 Beijing XINHUA in English
0946 GMT 2 Jun 92

["Roundup" feature]

[Text] Beijing, June 2 (XINHUA)—While defending the country, China's People's Liberation Army (PLA) has

supported and faithfully served China's policies of reform and opening to the outside world.

According to a recent report by the supreme command of the PLA, the Chinese military has provided over 200 million man-days labor to help the state and various localities build more than 20,000 capital construction projects since 1979 when China initiated its policies of reform and opening to the outside world.

In 1991 alone, military personnel participated in the construction of the Qinshan nuclear power plant in eastern China's Zhejiang Province; the Chengdu-Chongqing expressway in southwestern China's Sichuan Province; the Pudong highway bridge in Shanghai, China's leading industrial center; an international airport in Shenzhen, China's leading special economic zone in Guangdong Province; and Sanya City in Hainan Province, China's largest special economic zone.

According to Zhang Juhui, the commander of the Guangzhou military area command, since 1979 the military force has shared use of a number of military ports and highways.

In addition, the PLA has opened a number of military ports and airports in coastal areas near Shenzhen, Foshan, Shadi, Xingning, Shantou, Zhanjiang and Huiyang. While allowing civil authorities to use many facilities, the PLA has also transferred a number of scenic sites previously restricted to use only by the military to various localities for civilian use and development, including the former Whampoa Military Academy.

The Guangzhou military area command has provided over 1.3 million man-days of labor, and has sent over 100,000 heavy trucks to more than 200 capital construction projects, including the Huizhou deep-water harbor, the Daya Bay nuclear power plant and a number of highway projects.

In 1991, the Chengdu military area command provided over five million man-days of labor, and sent 20,000 trucks and other heavy equipment to aid in local economic construction.

In addition, during the Eighth Five-Year Plan period (1991-95), the military command will assign personnel to more than 400 key projects being built jointly by Yunnan, Guizhou and Sichuan Provinces and the Tibet Autonomous Region.

The Chinese Air Force has also opened some 51 airports to civilian flights in recent years.

At the same time, the Air Force has provided personnel and assistance to over 30 key state construction or research projects, and constructed some 22 large and medium-sized airports for civilian use.

Air Force units have been especially active in afforestation and efforts to rejuvenate grasslands in the countryside, and has dispatched several thousand flights for that

purpose. The effort involved more than one million hectares in 20 provinces and autonomous regions.

The Air Force has also taken full advantage of its capabilities in remote-sensing, aerial surveys, and the design and construction of airports.

It has scheduled over 300 flights to explore mineral deposits and survey sites for nuclear power plants at Daya Bay, Guangdong Province. At the same time, aerial surveys have been undertaken for nine departments of the central government, as well as for 21 provinces, municipalities and autonomous regions.

Local government officials agree that the PLA and armed police have not only provided extensive manpower and materials for various localities, but have also helped to create and protect the investment environment.

Zhuhai Mayor Liang Guangda said: "Army garrisons in the city have played a major role in setting the people's mind at ease and in stabilizing social order."

Since construction began at the Daya Bay nuclear power plant, the headquarters of the Chinese people's armed police force have provided security service.

Personnel from the military force have also participated in the crack down on smuggling in Shenzhen and have helped to maintain social order and ensure a safe investment environment.

Economic & Agricultural

Findings on Largest 500 Industrial Firms Given

OW0306211892 Beijing XINHUA Domestic Service
in Chinese 0343 GMT 3 June 92

[By RENMIN RIBAO reporter Liu Litian (0491 7787 1131) and XINHUA reporter Li Niangui (2621 1628 6311)]

[Text] Beijing, 3 June (XINHUA)—According to the findings of the "1991 Evaluation of China's Largest 500 Industrial Enterprises," the largest 500 industrial enterprises developed at a remarkably rapid pace as our country's economic situation took a turn for the better. As the focal point of its future economic policy, our country will give full rein to the leading role of enterprises as the mainstay.

According to the findings, sales volumes of the largest 500 industrial enterprises amounted to 479.53 billion yuan in 1991, an increase of 95 billion yuan from 1990. Total profits and taxes rose by 17.2 percent to reach 81.99 billion yuan, reversing the absolute downward trend of 1990. In 1991, the net worth of fixed assets of the largest 500 industrial enterprises grew by 20.6 percent, amounting to 325.43 billion yuan. This has laid an important material foundation for our country's economic boom.

In terms of sales volume, the Daqing Petroleum Administration led the 500 enterprises, followed by the Anshan Iron and Steel Company. Their sales volume was 13.15 billion yuan and 10.4 billion yuan, respectively. The two enterprises were the first large enterprises whose business volume surpassed 10 billion yuan. The other top 10 enterprises were Shanghai's Baoshan Iron and Steel Corporation, Shoudu Iron and Steel Company, Wuhan Iron and Steel Company, Shanghai Petroleum Plant, the Shengli Petroleum Administration, Yanshan Petroleum Company, the First Automobile Manufacturing Factory, and Qilu Petroleum Company.

In accordance with international practice, the State Council's Development Research Center, GUANLI SHIJIE, the Chinese Enterprises Evaluation Center, and the State Statistical Bureau's Statistical Department of Industry and Communications traced and evaluated the performance of China's largest 500 industrial enterprises over a period of five years, using sales volume as the primary indicator. The findings provide our country with important information for use as a reference in studying and formulating industrial policy, readjusting the industrial structure, and developing economic exchanges and cooperation with foreign countries. Two of the enterprises subject to evaluation achieved sales volumes in excess of 10 billion yuan in 1991, compared to none in 1987—the year when the evaluation was initiated. During the same period, the numbers of enterprises with sales volumes in excess of 5 billion yuan, 2 billion yuan, 1 billion yuan, and 500 million yuan rose from three, 21, 53, and 163 to 13, 41, 111, and 290, respectively.

The findings of the evaluation reveal the spectacular development of Sino-foreign joint ventures, cooperative enterprises, and exclusively foreign-owned enterprises. There were 32 such enterprises among the largest 500 industrial enterprises in 1991, compared to just six in 1987. This illustrates the fairly rapid development of such enterprises since our country's introduction of the opening policy. Though still constituting a small sector of our country's national economy, these enterprises have played a positive role in helping our country introduce foreign capital, bring in technology and skilled personnel, increase exports, and readjust the industrial structure.

Enterprises are the underpinnings of the national economy. A country cannot possibly prosper without the robust growth of enterprises. According to the evaluation data, the sales volumes and total profits and taxes attained by the largest 500 industrial enterprises accounted for 23.2 percent and 36.7 percent, respectively, of those attained by our country's more than 410,000 economically independent enterprises at and above the township level. Their sales volumes and total profits and taxes, meanwhile, accounted for 40.1 percent and 53.1 percent, respectively, of those attained by our country's over 14,000 large and medium-sized enterprises. The largest 500 industrial enterprises constituted

only 0.12 percent of economically independent enterprises at and above the township level and 3.6 percent of large and medium-sized enterprises.

Bank of China To Issue 800 Million Yuan in Bonds

HK0406070492 Beijing RENMIN RIBAO
in Chinese 26 May 92 p 2

[Report by Fan Wengang (5400 2429 1511): "Bank of China to Issue Bonds of 800 Million Yuan"]

[Text] Beginning in June, the Bank of China will issue financial bonds of 800 million yuan to the residents of the country. The bonds are divided into two kinds, that is, a three-year bond and a five-year bond, and the annual interest rates are 9.5 percent and 10.5 percent respectively.

The bonds can be transferred or mortgaged and income from the interest is tax free. The bonds have three kinds of face value: 100 yuan, 500 yuan, and 1,000 yuan.

The Bank of China has issued financial bonds amounting to 4.3 billion yuan over the past five years, and the funds raised have been mainly used to support technological transformation in state-run large and medium enterprises and foreign trade enterprises.

Nation To Issue 2d Set of State Treasury Bonds

OW0206080192 Beijing XINHUA in English
0701 GMT 2 Jun 92

[Text] Beijing, June 2 (XINHUA)—A second issue of State Treasury bonds worth 21 billion yuan (about 420 million U.S. dollars) for 1992 is scheduled to begin from July 1, according to a circular issued by the Ministry of Finance in Beijing Monday.

China plans to issue 30 billion yuan of State Treasury bond this year in an effort to tap the huge amount of capital in the hands of individuals.

The 21 billion yuan worth of bonds will mature on July 1 1995. Annual interest will be paid at 9.5 percent which is exempt from tax.

The State Treasury bonds enjoy a good credit rating, according to the Ministry of Finance.

The first issue of bonds worth 10 billion yuan for 1992, which will mature in 1997, have been sold out.

State Council Economic Office Expands Functions

HK0506041092 Hong Kong CHING CHI JIH PAO
in Chinese 29 May 92 p 7

[Report: "Production Office Under State Council Has Been Changed Into Economic and Trade Office"]

[Text] The Central Establishment Committee of the State Council has recently decided to change its Production Office into an Economic and Trade Office. Zhu Rongji will continue as director of the office.

It has been reported that this is part of the State Council's structural reform which has been carried out since the beginning of this year. The work is presided over by the Central Establishment Committee of the State Council. Li Peng is director and Zhu Rongji is deputy director of the committee.

The Economic and Trade Office of the State Council, which has been reorganized from the former Production Office, has an additional five sections and bureaus and over 150 working personnel. The Office's authority has been extended from management over industrial enterprises to the fields of industry, communications, finance, and trade. There is also a tentative plan to expand it to an Economic and Trade Committee.

Labor Ministry Progresses in Labor System Reform

OW0406065892 Beijing XINHUA in English
0642 GMT 4 Jun 92

[Text] Beijing, June 4 (XINHUA)—About 12 percent of China's 500,000 enterprises have been given a free hand in recruitment under the program for reform of the labor system.

According to a Labor Ministry official, so far 940,000 workers have been laid off out of the 17 million employed in 40,000 enterprises. About 840,000 of the surplus workers have either shifted to non-production sectors or are being retrained.

The official said the reform efforts aim at clearing the way for enterprises to compete on the open market which is one of the objectives of China's economic reform package this year.

The reform of the labor system also includes creating a new wage distribution and social security system, said the official.

Over the past four decades, Chinese enterprises had difficulty in deciding payroll distribution, hiring workers and the appointment or transfer of cadres in line with production needs or the performance of staff.

A growing number of firms are adopting the new labor contract system, under which they sign contracts with the employees after negotiating specific terms.

The latest statistics show that the number of contracted workers has reached 15 million, representing 14 percent of the workforce in state-run firms.

The labor contract system has also opened up opportunities for the workers to choose their jobs according to their special skills and interests.

Half of the 3000-odd lay-offs in northeast China's Liaoning Province have reportedly asked for the termination of their contracts.

The crux of the reform of wage distribution system, however, is to link pay with performance of the workforce and the overall economic turnover of firms.

The new system, which has been adopted by 5000 firms in 12 provinces throughout China, will enable technicians and skilled workers, especially those in the production lines, to get higher pay.

The introduction of the new wage system has raised the economic efficiency of the firms. A survey conducted in Shenyang in northeast China shows that each one yuan in wages netted 9.7 percent more profit compared with that before the new wage system was adopted a year ago.

As part of the efforts to reform the current security system, the state has established a pension fund by collecting a nominated percentage of the total volume of wages from enterprises and about three percent of wages from individual workers. The fund provides for pensions for all the workers in retirement.

Under the old system, each enterprise was responsible for pensions for its own employees, which was a burden with increasing numbers of retirees.

To date, 72 million workers and some 12 million retirees have been involved in the pension fund.

The state has planned to implement the labor contract system in all the enterprises within next five years. This will give enterprises more latitude in hiring and paying their staff. The social security system will also be expanded to cover such items as unemployment benefits, according to the labor ministry official.

Commentary on Cultivating, Developing Market

HK0506060992 Beijing ZHONGGUO JINGJI
TIZHI GAIGE in Chinese No 2, 23 Feb 92 p 6

["Contributing commentator's article": "Cultivating and Developing Market Is Task of Top Priority—Second Commentary on Plunging Enterprises Into Market"]

[Text] [For first commentary in series, please see page 35 of the 5 March issue of the China DAILY REPORT] To plunge enterprises into the market, besides effecting a change in the enterprise operation mechanism, it is also necessary to resolve the problem of cultivating the market. Enterprises are like ships and the market, a river. When the river is blocked, it will be difficult for the ship to move. In this sense, the basic prerequisite for China's enterprises to genuinely enter the market in the 1990's is to further cultivate and develop the market.

When we talk about market, people usually get bogged down in two mistaken areas of understanding: First, they regard the market simply as a commodity market

system; and second, they simply equate market mechanism to a price mechanism. This gives rise to the "theory of the market system's main line" and the "theory of price subject" in cultivating and developing the market. However, these two viewpoints are but a static thinking of the market. By making an omnidirectional dynamic observation of the market, we can easily see that the market system, which is the sum of all kinds of commodity markets and the markets for essential factors, is but part of the market. Another part is composed of the various market economic organizations and the regulation and control system. The combination and operation of these two parts constitute a market mechanism. A market mechanism should include the price mechanism, supply and demand mechanism, risk mechanism, and competition mechanism.

A certain degree of misrepresentation of China's current market is mainly manifested in the following: The imperfection of various markets has seriously affected the market's overall functions; the markets for capital, technology, property rights, and labor are particularly imperfect; the imperfect market rules and regulations have resulted in confusion in economic operation and a drastic increase in transaction costs, offering "shelter" to the poorly run inefficient enterprises and offering opportunity to others to engage in illegal operations; the market economic organizations are underdeveloped, there is a lack of quick access to market information, and stagflation is serious, making it difficult for enterprise operation to meet the changes in the market supply-demand structure; and the barriers erected between departments and regions have resulted in market separation, clogged circulation, and irrational distribution of resources among people.

Undoubtedly, plunging enterprises into such a market beset with difficulties is tantamount to throwing them into a "quagmire." For this reason, the pressing task at the moment is to vigorously cultivate and develop the market, and create the necessary conditions for enterprises to take part in fair competition on the premise of priority given to efficiency.

At present, the market's cultivation and development should be focused on: First, it is necessary to improve the market system; besides developing the visible markets of means of production, capital, labor, technology, information, and real estate, we should also take note of developing the invisible markets of futures, contract, leasing, property right, and culture. Second, gradually establish a sensitive market information system at all levels in light of a modern market's requirements so that the changes in market supply and demand are promptly transmitted to enterprises. Third, while emphatically developing all kinds of wholesale markets, it is necessary to gradually develop a regional and national unified market and adopt legal means to abolish all kinds of exclusive, discriminative, and monopoly policies and remove the barriers erected between the markets. Fourth, seize the favorable opportunity of the coordinated and steady development of the national economy

and spacious economic environment to vigorously introduce price reform, readjust the relations of price parities, and lose no time to accelerate the merging of the prices of means of production. And fifth, it is necessary to strengthen market management and supervision and check all the illegal acts of abnormal competition and sabotage so that there are rules and regulations to follow in market transactions.

From a long term point of view, the establishment of a perfect, open, fair, competitive, orderly, and unified market which can be regulated and controlled by the state is required for building a socialist commodity economy with Chinese characteristics. From a short term point of view, it is the necessary conditions for making a success of plunging enterprises into the market. At present, the arduous and complicated tasks of cultivating and developing the market should merit great attention of society as a whole. It should also be placed in the agenda of every economic department and state enterprises, the large and medium ones in particular.

State-Run Enterprises To Tap Personnel Potential

OW0406074592 Beijing XINHUA in English
0717 GMT 4 Jun 92

[Text] Beijing, June 4 (XINHUA)—A recent survey revealed that China's state-run large- and medium-sized enterprises have not taken full advantage of talented engineers and technicians.

The China Association for Science and Technology conducted the survey through questionnaire in some 80 enterprises from 21 provinces and cities. The survey asked more than 2,000 engineers and technicians in the enterprises to answer a number of questions.

Results show that most engineers and technicians surveyed are not assigned a sufficient amount of research, and only 31.4 percent of the respondents indicated they conducted any research. Some 64.1 percent of the engineers and technicians indicated that they make use of only 50 percent of their talents.

More than half of the the respondents complained of a shortage of research funds, while only 0.2 percent reported sufficient funding. When asked if they had sufficient research equipment and materials, most answered "not quite enough." In addition, most of them said they have no opportunity to participate in on-the-job training, and have been unable to participate in academic exchanges with other experts in the same field.

The survey shows that the situation exists because of poor research and work conditions, a lack of research projects, unreasonable assignments from cadres, low salaries and excessive administrative activities.

At present, over two million engineers and technicians work in more than 10,000 state-run large- and medium-sized enterprises. Numerous experts have appealed the

government and the leaders of enterprises to institute measures to enhance enthusiasm and take full advantage of previously wasted talent.

Minister Calls for Reforms To Cut Stockpiles

HK0306100392 Beijing CHINA DAILY
in English 3 Jun 92 p 1

[By staff reporter Li Hong: "Reforms Called For To Help Cut Stockpiles"]

[Text] Minister of Materials and Equipment Liu Suinian has urged China's wholesalers and retailers to help the industry dispose of their stockpiles of raw materials and improve business performance, ministry sources said.

Unlike their counterparts in developed countries, Chinese industrial enterprises usually maintain a large backup of raw materials, enough for months of production.

But economists recently pointed out that these large stockpiles hamstring the flow of capital, hold back the effective use of precious resources and decrease firms' turnover rate.

In a front page report yesterday, PEOPLE'S DAILY [RENMIN RIBAO] said about 40 percent of the country's total output of resources such as coal, oil, timber, iron and steel is lying idle in factory warehouses.

In his last work report to the National People's Congress, Premier Li Peng urged the State-owned materials departments to help industries improve their efficiency.

To this end, Liu is leading a research group to study ways of reducing stockpiles. "To realize zero raw stockpiles in industrial firms' warehouse is our strategic target," Liu said at a recent ministry conference.

To test this "reform project," the ministry is monitoring more than 20 cities, including Shijiazhuang, capital of Hebei Province, Shenyang, capital of Liaoning Province, and Wuxi, a city in Jiangsu Province.

As part of the project, official dealers in raw materials will guarantee that firms get timely deliveries in agreed quantity and quality, said ministry official Hang Zhibong in an interview with CHINA DAILY.

If the "project" is implemented in just 10 percent of China's 40,000-odd State-owned firms, it will save industrial enterprises up to 100 billion yuan (\$18.5 billion), Hang said.

However, the experiment has so far made little progress.

First, the country still faces a shortage of resources. When supplies are strained, as in the mid-1980s when prices of raw materials skyrocketed because of overheated development, producers and distributors of raw materials have difficulty providing sufficient resources, Hang said.

Second, China's two-tiered pricing system for materials—the lower State-planned price and the higher market price—is hindering the enforcement of the "project."

Finally, wholesalers cannot find enough transport vehicles to send materials, Hang added.

Zou Jiahua Assesses Urban Public Transportation

OW0306085792 Beijing XINHUA Domestic Service
in Chinese 0846 GMT 2 Jun 92

[By reporter Li Niangui (2621 1628 6311)]

[Excerpt] Beijing, 2 Jun (XINHUA)—A meeting to sum up the results of a nationwide competition for good services and to commend outstanding units and workers on the urban public transportation front was held at the Great Hall of the People today. Vice Premier of the State Council Zou Jiahua and other leaders issued letters of commendation and badges of honor to representatives of advanced units and individuals. On behalf of the State Council, Zou Jiahua extended cordial regards to the more than 700,000 staff members and workers on the public transportation front and their dependents.

Zou Jiahua said: Urban public transportation is very important work, being a component part of our country's comprehensive transportation system and playing an important role in promoting economic development and urban construction. The performance of urban public transportation is closely related to the people's life and directly influences economic and social activities in cities. In the wake of economic development and the rise of people's living standard, urban residents now set a higher demand on housing and transportation. Zou Jiahua held that, since the beginning of reform and opening up more than 10 years ago, governments at various levels have attached importance to and formulated policies to support the development of public transportation, and great achievements have been made. He said: However, public transportation in cities is still far from being able to satisfy the need of the people. Public transportation falls within the tertiary industry. To quicken the pace of reform, we must vigorously develop the tertiary industry in the future. The state has laid stress on supporting urban public transportation, but the development of public transportation must rely on the spirit of dedication of staff members and workers on the public transportation front, on the support of urban residents, on a good policy, and on the support of governments at various levels.

The competition was jointly sponsored by the Ministry of Construction and the China Construction Materials Trade Union. It started 1 May last year and ended 30 April this year. [passage omitted]

Song Jian Letter Congratulates Xinjiang Fair*OW0206171792 Urumqi XINJIANG RIBAO
in Chinese 21 May 92 p 1*

[“Full text” of letter sent by Song Jian, state councilor and minister in charge of the State Science and Technology Commission, on 20 May greeting the opening of the Urumqi Trade Fair on National Spark Program Achievements and Patented Technologies; “Comrade Song Jian’s Congratulatory Letter”—XINJIANG RIBAO headline]

[Text] To the Xinjiang Uygur Autonomous Regional People’s Government and all comrades at the Urumqi Trade Fair on National Spark Program Achievements and Patented Technologies:

I would like to extend my warm congratulations to you on the grand opening of the “Urumqi Trade Fair on National Spark Program Achievements and Patented Technologies,” jointly held by the Xinjiang Uygur Autonomous Regional People’s Government and the State Science and Technology Commission.

The trade fair is a practical move to implement the central directive on speeding up reform and openness. It is also an effective measure to further promote the Spark Program, to open up markets for technologies and products developed under the program, and to accelerate the conversion of scientific and technological achievements into productive forces. It is sure to have an extremely favorable impact on Xinjiang’s scientific, technological, and economic development.

Xinjiang is a developing piece of precious territory that is pursuing our country’s great cause of socialism. I firmly believe that Xinjiang will surely be able to write more brilliant new chapters in economic construction and various other programs, thanks to the self-reliance and hard work of industrious and intelligent people of all nationalities there in deepening reform and opening

wider to the outside world under the leadership of the autonomous regional party committee and the people’s government, under the guidance of the party’s basic line of “one central task and two basic points,” and on the basis of scientific and technological progress.

I wish the trade fair complete success.

[Signed] Song Jian

[Dated] 20 May 1992

Correction—Zhu Rongji on Enterprise Reform

HK0406100392

The following correction pertains to the item headlined “Zhu Rongji Gives Speech on Enterprise Reform,” which was published on pages 29 through 31 of the 3 June China DAILY REPORT:

Page 30, column 1, first paragraph, seventh full sentence make read ...losses this year, take a favorable turn next year, and develop basically... (rewording);

same page, column two, third full paragraph, sentence seven make read... and set up employment agencies. If the regulations... (rewording);

same page, same column, last paragraph, second sentence make read... regulations to suit enterprises. Therefore, in formulating... (rewording);

same page, same column, same paragraph, sentence eight make read... If it continues to incur losses in the second year, its factory director will be given a reduced punishment to see how he behaves. If there is still no improvement, the factory director, no matter how good he is... (adding phrase, rewording);

page 31, column two, first paragraph, sentence four make read... gap in income. That portion of an enterprise’s wages based on economic returns which exceed the maximum... (rewording)

East Region

Fujian's Fuzhou Drafts Future Development Plans

OW0406110992 Beijing XINHUA in English
1052 GMT 4 Jun 92

[Text] Fuzhou, June 4 (XINHUA)—Fuzhou Vice Mayor Liu Wenpeng recently announced that the city will develop a "golden triangle" of economic development at the mouth of the Minjiang River in three to five years.

The city, capital of east China's Fujian Province, will build industrial and investment belts along the banks of the Minjiang River.

One belt will center on the Fuzhou Economic and Technological Development Zone, while the other will be formed by joining the Rongqiao Industrial Zone and the Fuqing Bay Investment Zone. Two major highways will connect the belts. And the economic triangle will be completed by links to islands and coastal areas in the region.

According to Liu, the city will undertake a strategy of encouraging overseas investors to invest in the development of large tracts of land.

He noted that land-use leases will greatly enhance the city's export economy.

The mayor stressed that the city will strengthen cooperation with the outside world in a number of sectors, including agriculture, service industry, and financial sector, in addition to offering stocks and bonds.

Fuzhou, which was amongst China's first group of cities to open to the outside world, has become one of the top cities in attracting overseas investment. Since the beginning of 1992, the city has approved a number of large foreign investment projects with investments ranging from the tens to over hundreds of million U.S. dollars.

Liu said that during the next eight years the city will build an international airport and two deep water harbors, in addition to constructing a hydropower station and a thermal power plant with a annual generating capacity of 2.8 million kilowatts.

Fujian Takes Steps To Curb Arbitrary Charges

HK0506061092 Beijing ZHONGGUO XINWEN SHE
in Chinese 0352 GMT 28 May 92

[By Sun Xianxun (1327 6343 6598)]

[Text] Fuzhou, 28 May (ZHONGGUO XINWEN SHE)—Fujian has resolutely eliminated the phenomenon of indiscriminately setting up outposts to arbitrarily collect charges. The whole province will abolish 602 checkpoints on roads before 1 June and retain only 93 checkpoints.

In recent years, in the interests of their own areas and departments, some areas and departments in Fujian

have set up outposts on roads to arbitrarily collect charges without authority. Checkpoints of all kinds once numbered as many as 695, thus hindering reform, opening up, and the normal circulation of commodities. After checking up on the checkpoints for more than one year, the Fujian provincial government has decided to reduce checkpoints on roads throughout the province to 93. All checkpoints on roads which are not approved must be unconditionally abolished before 1 June and temporary and mobile checkpoints must be stopped.

To avoid the reestablishment of outposts without authority, the Fujian provincial government has specially formulated "regulations on the administration of road checkpoints" and included the administration of checkpoints in the legal system.

Jiangsu CPPCC Standing Committee Meeting Ends

OW0406145392 Nanjing XINHUA RIBAO in Chinese
29 May 92 p 1

[Report by Zheng Xie (6774 0588): "Standing Committee of Sixth Provincial CPPCC Committee Closes 23d Meeting, Submitting Positive Proposals on Accelerating Reform, Opening Up to the Outside World, and Economic Construction"]

[Text] The 23d meeting of the Standing Committee of the Sixth Jiangsu Provincial Chinese People's Political Consultative Conference [CPPCC] Committee ended yesterday afternoon [28 May].

During the meeting, the Standing Committee conscientiously studied Comrade Deng Xiaoping's important talks and the guidelines of the work conference of the provincial party committee, and heard and discussed Governor Chen Huanyou's "Circular on the Situation of Policies and Measures for Stepping Up Reform and Opening Up to the Outside World As Well As for Promoting Economic Development." Discussing such topics in groups, members of the Standing Committee said what was on their minds, spoke glowingly of their opinions, and put forward positive proposals on how Jiangsu could satisfactorily translate Comrade Xiaoping's important talks into concrete action and carry out the provincial party committee and government's policies and measures for stepping up reform and opening up to the outside world and for promoting economic development.

During their discussions, the members held the identical view that the provincial party committee and government's policies and measures for accelerating reform and opening up to the outside world and for promoting economic development have embodied the spirit of Comrade Xiaoping's important talks and are in line with Jiangsu's actual situation at the same time. The members especially gave their full affirmation to the provincial party committee and government's basic strategic idea of "three focuses."

The members maintained: We should correctly view the situation of Jiangsu's reform, opening up to the outside world, and economic construction. Processing industry, small and medium-sized enterprises, and village and town enterprises—which Jiangsu has been focusing on—were Jiangsu's superiority in the past. To compete in a larger domain in the future, we must readjust the organizational structure of enterprises and make them more highly organized, so that they are large in scale, high at the starting point, and high in efficiency. To meet the requirements of high investment, high yield, and accelerating economic development in the future, we must collect funds through various channels, particularly make good use of foreign funds.

Through discussions the members maintained: To step up the pace of reform, emphasis should be placed on the establishment of a new mechanism for economic operation, with further expanding the scope of market regulation as the central work, to truly form a large market and a grand circulation system. The members held that: Opening up wider to the outside world is an overall strategic measure for promoting Jiangsu's reform and construction. To open up wider to the outside world, we should stress the development and opening up of the economic belt along the Chang Jiang and especially step up Suzhou's, Wuxi's, and Changshu's pace of opening up to the outside world in the near future. We should make unified and highly organized plans for development and opening.

The members proposed: Accelerating the development of the tertiary industry is an important work for Jiangsu to readjust its structure and step up economic development. Financing, real estate, communications, transportation, posts and telecommunications, information, and other industries which do not well suit the needs for stepping up economic development currently should be developed with an even greater effort so that they will become mainstay industries.

During the discussions the members noted: In the course of stepping up reform, opening up to the outside world, and economic development, the work on agriculture should never be relaxed. We should enhance various policies and measures on agriculture and rural work and continue to carry them out. Through discussions the members maintained: We should rely on scientific and technological progress to step up the economic development. An effective mechanism integrating science and technology with economy should be formed as soon as possible. The members believed that to step up reform and opening up to the outside world, we must pay attention to transforming government's functions and improving service.

Zhao Zhihao Welcomes Cultural Officials to Jinan

SK0406041892 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 1 Jun 92

[Text] At the invitation of the Shandong provincial people's government and the provincial cultural department, the 35-member delegation composed of cultural

officials from the 28 foreign embassies stationed in Beijing municipality arrived in the city of Jinan on 1 June and will pay an eight-day visit to our province.

That evening, the provincial people's government hosted a cocktail party in the Qilu Guesthouse to extend a warm welcome to the ambassadors and attaches of various countries. Governor Zhao Zhihao attended the cocktail party and delivered a welcome speech in which he said that Shandong, as a coastal province of the PRC, has a long history and abundant natural and cultural resources, and has achieved better development in the economy and social undertakings. Reform and opening up have injected vitality into the province, an age-old territory. The province has achieved rapid development with an average yearly increase of more than 10 percent in the fields of gross national product, national income, and total industrial and agricultural output value. At present, units from top to bottom throughout the province are further accelerating reform and opening up as well as the pace of developing the economy. We are deeply convinced that the province will certainly be able to achieve faster and better development in the coming 10 years or slightly longer. Zhao Zhihao said that seeing for oneself is a hundred times better than hearing from others and urged the foreign guests to further enhance the friendship and cooperation established by both sides through their visits and understanding and to promote the cultural exchanges and economic and trade contacts between the province and their countries.

At the cocktail party, Farid Samaha, ambassador of the Republic of Lebanon to the PRC, delivered a thank-you speech on behalf of the diplomatic personnel of various countries, in which he extended heartfelt thanks for the enthusiastic hospitality shown by the provincial people's government.

Attending the cocktail party were Song Fatang, vice governor of the province, and responsible comrades from the departments concerned.

That afternoon, Vice Governor Song Fatang cordially received all members of the delegation of diplomatic cultural officials and informed the foreign guests of the development of Qilu culture and the province's economic construction and investment environment.

During their visits to our province, the foreign diplomatic delegation will visit the cities of Jinan, Qufu, Taian, Zibo, Weifang, and Qingdao.

Shandong Real Estate Sold to Foreign Nationals

SK0506055292 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 3 Jun 92

[Text] As a result of attracting trade and investment from abroad and allowing flexibility to enterprises at home, the province has witnessed a swift and intense trend in real estate development. Thus far, it has been decided to allow 72 stretches of land in the province for

large-scale real estate development. A number of industrial development zones, new and high technology development zones, bonded areas, and high quality highrises have been under construction.

Over the past year or so, the province's real estate has developed swiftly and intensely under the general tide of opening wide to the outside world. The Yantai City Economic and Technological Development Zone has leased 2.8 square km of land to Hong Kong's China-British Group for development and management. Qingdao and some other cities have decided to sell several valuable plots to foreign traders. Weifang city has already signed contracts with foreign traders on building, with joint investment or in cooperative form, the (Tianhe) Hotel, the (Beihai) Commercial and Cultural City, and the (Suhua) Tourist Center. Thus far, the province has already signed more than 20 contracts and agreements and some letters of intention on real estate development with foreign nationals. In addition, to make the province's ranks of real estate enter the south China and world markets, the Qilu Construction Group Company subordinate to the provincial construction commission has been prepared to requisition 1,500 mu of land in Sanya city of Hainan Province to build the Qilu Investment Zone, which is composed of an industrial development district, an agricultural and plantation area, and a tourist area.

Along with the approaching peak of the real estate development, the provincial construction commission has also called on all localities to pay attention to the following three tendencies. First, attention should be paid to combining the large-scale land development with the talks on real estate projects in order to prevent the vast stretch of land earmarked for real estate development from lying idle. Second, the real estate development market should be organized in a unified way in order to avoid vying with one another in cutting land prices. Third, the construction of various projects should be coordinated so that the high profits earned from real estate development will not vary by a large amount and the construction projects will not be built in defiance of plans and will not be overly concentrated in certain areas.

NPC Inspection Group Inspects Shandong

SK0506081392 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 4 June 92

[Text] The National People's Congress [NPC] Standing Committee inspection group formed by Zou Yu, member of the NPC Standing Committee and vice chairman of the Internal and Judicial Affairs Committee; Ou Tangliang and Dong Jianhua, members of the NPC Standing Committee; and Tang Dacheng, member of the Internal and Judicial Affairs Committee, recently came to our province to inspect the implementation of the decision on strengthening the comprehensive improvement of public security.

After the promulgation of the decision of the NPC Standing Committee on strengthening comprehensive improvement of public security, party committees and governments across the province have acted in close connection with the central task of economic construction, fully displayed the functional role of public security organs, upheld the principle of giving simultaneous attention to attack and prevention and to stopgap measures and radical measures, relied on and mobilized the masses to participate in the overall fight, and achieved noticeable results.

As of March this year, the whole province had solved more than 19,000 thefts, arrested more than 13,000 criminals guilty of various crimes, and captured 54,000 criminals guilty of abduction of and trading in human beings; saved 5,531 suffering women and children; investigated and handled 84 cases of drug abuse and smuggling; and captured 295 criminals guilty of trafficking in narcotics and smuggling.

To legalize the public security comprehensive improvement work, the provincial People's Congress Standing Committee and the provincial government have promptly formulated some local laws and regulations and administrative stipulations in line with the Constitution and relevant laws and in light of the prominent problems and weak links in our province's social security to guarantee the smooth progress of this work.

The inspection group arrived in our province on 2 June. During its stay in Jinan, it heard briefings given by the provincial committee for public security comprehensive improvement and relevant departments on their implementation of the decision on strengthening the comprehensive improvement of public security and of the decision on forbidding drug abuse and strictly banning prostitution, abducting and trading and kidnapping women and children, and held a forum of some deputies and the masses to solicit opinions and to understand the situation.

Lu Hong and Wang Shufang, vice chairmen of the provincial People's Congress Standing Committee; Guo Changcai, provincial vice governor; and Han Bangju, special adviser to the provincial government, attended the report meeting.

During its stay in our province, the inspection group also will also inspect Weifang and Qingdao Cities.

Shanghai's Huang Ju Meets Former Taiwan Minister

OW0506101292 Shanghai JIEFANG RIBAO in Chinese
2 Jun 92 p 1

[Text] Yesterday afternoon, Mayor Huang Ju met with the visiting "mainland economic reform prospects and investment opportunity observation delegation," which includes adviser Mr. Chao Yao-tung, an economic policy consultant with the Taiwan Chunghua Institute for Economic Research, at a room reserved for distinguished guests of the Shanghai Municipal People's Government.

Taiwan's "mainland economic reform prospects and investment opportunity observation delegation" arrived in the mainland on 12 May at the invitation of the "China Research and Training Center for International Trade in the Asia-Pacific Region." The delegation's visit is intended to improve understanding of the current conditions and future development of economic reform on the mainland in an effort to further promote the development of relations between the two sides of the strait.

At the beginning of the meeting, Huang shook hands with Mr. Chao Yao-tung and said with a smile: I welcome your visit to Shanghai. After seeing a number of places in Shanghai, you must have some good opinions and suggestions. Mr. Chao Yao-tung said: My native place is Jiangsu's Huaiying, but I have lived in Shanghai before. As a former Shanghai resident, I have now come to visit Shanghai's new mayor. The people present at the meeting laughed cheerfully.

Later, Huang Ju briefed the guests on Shanghai's achievements in economic development and municipal construction during the past decade, as well as its achievements in opening and developing Pudong and plans for Shanghai's future development. He said: Shanghai will take advantage of its position to actively promote exchanges and cooperation with various places abroad, adjust production and industrial structures, and vigorously develop tertiary industry. We will find a successful road via which we will build Shanghai into a financial, trade, and economic center in the Asia-Pacific region. He said: Currently, the trend of development in Shanghai is fairly good. People in Shanghai have become wiser and shrewder during the course of deepening reform. Huang Ju welcomed more frequent exchanges and cooperation at various levels between the two sides of the strait and hoped that the two sides would jointly explore ways for economic development.

Mr. Chao Yao-tung told Huang Ju his impression of visiting Shanghai and offered some very good opinions and suggestions.

Shanghai Develops Joint-Stock Companies

HK0506041292 Beijing ZHONGGUO XINWEN SHE
in Chinese 0255 GMT 3 Jun 92

[By Liu Moli (0491 2608 0448)]

[Text] Shanghai, 3 Jun (ZHONGGUO XINWEN SHE)—Shanghai's experimental shareholding enterprises have ended a period of stagnation and entered a new stage of development.

Following the issuance of shares by seven companies in March, the number of limited joint-stock companies has increased to 34. Over 30 million personal shares with a total face value of more than 300 million yuan will be issued to the public within the next few days.

Tian Yulin, the person in charge of the supervisory department for experimental shareholding enterprises under the Shanghai Municipal Government's Office for Restructuring the Economy, said that Shanghai has been experimenting with the shareholding system since the emergence of the "Feile Audio Product" shares in late 1984. During this period, the lack of consensus from all sides led to an increase in noneconomic factors affecting the experiments, thus causing the experimental work to stagnate.

Mr. Tian said: The experiments began mainly with small enterprises of the collective ownership type. Up to the present time, bigger steps have been taken and great breakthroughs have been made since the experiments were enlarged after the development stage. From January to May, the number of experimental shareholding enterprises that had been approved or were awaiting approval exceeded 40, with a total capital stock exceeding 10 billion. Moreover, many companies will issue special shares in Renminbi currency. In addition to the industrial and commercial sectors, these enterprises include construction, cultural and technological fields, and developers running the new Pudong Development Area. They include such large enterprises as the Shanghai Tire and Rubber (Group) Company Limited, whose registered capital totals several hundred million yuan, and the Shanghai Alkali Company Limited.

Tian Yulin maintained that reforming the shareholding system experiment is a huge social system project and that this involves many departments and needs many supporting policies, laws, and regulations. So far, relevant quarters have formulated some laws and regulations including the "Method of Management for Special Renminbi Shares," and its "implementation details," and "Provisional Provisions for Limited Shareholding Companies in Shanghai Municipality."

He stressed: It is also necessary to formulate a "securities law" at the present time to prevent shares from being over-concentrated and to confine legitimate speculation within a certain scope. It is necessary to institute a company financial and accounting system which is up to international criteria, and so forth. Moreover, all joint-stock companies should proceed further from raising funds from society to achieving the goal of separating the functions of government from those of enterprises, separating ownership from operating rights, and changing operational mechanisms.

At present, more and more enterprises in Shanghai are asking to join as experimental shareholding enterprises. It is expected that, providing it is not limited by the volume of shares issued, the shareholding system will represent a bigger and bigger proportion of Shanghai's enterprise structural reform.

Li Zemin at Rural Industry Development Conference

OW0406043892 Hangzhou Zhejiang People's Radio
Network in Mandarin 1030 GMT 3 Jun 92

[From the "Provincial News Hookup" program]

[Text] The provincial working conference on rural enterprises ended in Hangzhou on 3 June. Li Zemin, secretary of the provincial CPC committee, attended and spoke at the meeting.

He fully affirmed the tremendous achievements scored by our province's rural enterprises. He called on personnel involved in rural enterprises to seek unity between growth, speed, and efficiency; to quicken the pace of reform; to raise economic efficiency in the course of enterprise development; and to make still greater contributions to realizing the second-stage strategic objective of our country's modernization efforts.

Xu Xingguan, member of the Standing Committee of the provincial CPC committee and vice governor, delivered an important speech at the meeting on behalf of the provincial CPC committee and provincial government. He said hard work and objective factors account for the rise of rural enterprises and their present dominant role in the national economy.

Rural enterprises will play an important role in attaining another new level in the development of the province's economy. The current meeting is aimed at setting a correct economic development course, working out practical implementation measures for the development of grass-roots enterprises, and bringing the province's economic construction to a new level.

Comrade Xu Xingguan pointed out: Rural enterprises are now faced with the problem of further changing operating mechanisms. Rural enterprises should regain such advantageous operating mechanisms as autonomous management, responsibility for their own profits and losses, self-restraint, self-development, and optimization of production mix according to market demands.

They must also adapt their production to the requirements of domestic and foreign markets. It is necessary to encourage townships, villages, and individual households to promote rural industry, vigorously promote the share-holding system, raise the ratio of export-oriented economy, attract foreign capital to invest in rural enterprises, and rely on technological progress to gradually effect a switch from fast product production to high production efficiency.

He said rural enterprises must not throw away their advantages, and he called on personnel at all levels in government departments to be reform-minded, help rural enterprises solve fund problems, and do concrete things for the development of rural enterprises.

Central-South Region

Xie Fei Speaks at Anticorruption Meeting

HK0506040992 Guangzhou Guangdong People's Radio
Network in Mandarin 0400 GMT 26 May 92

[Excerpt] A four-day provincial exchange meeting on opposing corruption and promoting clean government administration ended in Guangzhou yesterday. More than 400 leading cadres at and above county level conscientiously studied the spirit of Comrade Deng Xiaoping's important speech made during his tour of southern China. They exchanged experiences with other localities in opposing corruption and promoting clean government administration, studied the issue of further improving party work style and promoting clean government administration, and discussed stipulations worked out by the provincial CPC committee and government on several issues related to the work of party and government leading groups at all levels for opposing corruption and promoting clean government administration.

Provincial CPC committee Secretary Xie Fei spoke at the meeting on making efforts to establish an effective mechanism for opposing corruption, promoting clean government administration, and economic work at present. Zhu Senlin, provincial party deputy secretary and governor, also spoke on correcting unhealthy trends in various departments and trades and services. (Huang Dongchun), member of the provincial CPC committee Standing Committee and secretary of the provincial discipline inspection commission, delivered a report entitled: Conscientiously Sum up Experiences and Resolutely Punish Corruption To Push Our Province's Work of Building a Clean Government Administration to a New Level. Cities and counties such as Shantou, Foshan, Jiangmen, Shunde, Taishan and Nanhai also made typical speeches.

The meeting summed up our province's six experiences in strengthening the building of clean government administration since reform and opening up. [passage omitted]

Growth of Guangzhou Private Economy Viewed

HK0306014492 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 0854 GMT 28 May 92

["Special article" by Shi Chuan (4258 1557): "Guangzhou's Individual, Private Economic Sectors Develop In Depth"]

[Text] Guangzhou, 28 May (ZHONGGUO TONGXUN SHE)—According to a source from Guangzhou City's Industrial and Commercial Department, the city's individual and private economic sectors have developed vigorously in recent days and have constantly advanced in depth. The prospects are very bright.

Statistics show that a growing number of self-employed businessmen and private entrepreneurs in Guangzhou are involved in such fields as production, science and technology development, and information consultant services. In the past, most of the individual and private economic sectors were engaged in commerce but some businesses have now invested in new trades with their accumulated funds, while most of them are engaged in production and operations. Many self-employed businesses in the garment trade take the lead in conducting operations integrating production and marketing. Moreover, with the rectification in recent years of some chaotic phenomena in the circulation field, such as high profits deriving from the double-track pricing system, the economic order has gradually been standardized. This also serves as an objective factor in promoting the shift of individual and private economic sectors toward the production field. The strategy of "rejuvenating the nation through science and technology" has provided the individual and private economic sectors with a major social climate for investing in science and technology development. This, plus the support of local government, has enabled scientific and technological private enterprises to develop by leaps and bounds. In Guangzhou's Tianhe Keji Street, 51 percent of enterprises are privately run. Statistics show that more and more private enterprises are trying their hands at scientific and technological development.

Further concentration of business places represents a major feature of the private economy in Guangzhou. At present, the operations of individual and private businesses in Guangzhou constantly tend to come together and form numerous streets or shopping arcades of specialized individual and private businesses. Their scale is expanding, with temporary stalls and stores making the transition to permanent indoor ones. Each place has its own distinctive features, such as ready-made garments, knitting wool and piece goods, fresh flowers, plastic products, shoes, and so on. Recently, another wholesale market exclusively for toys opened for business in Zhongshan Eighth Road, the city center. A person in the trade pointed out that this feature would continue to develop.

The development of the export-oriented economy will gradually pick up speed. At present, governments at all levels in Guangzhou have indicated in turn, their readiness to vigorously support individual and private businesses to develop exports. In future, it is inevitable that this development will gradually pick up speed. Meanwhile, in the new service trades, some businesses have engaged in such trades as artistic decorations, advertisement designing, production of handicraft articles, household services, and work to clean up the environment. This has developed into a trend. There are also successful examples of family-run kindergartens and nurseries and privately-run training centers. Guangzhou's individual and private economic sectors are expected to play an important supplementary role in the educational and cultural fields in the future. Moreover, the business

environment is tending to become more modern. To attract customers, proprietors spare no expense in decorating shop fronts and modern production tools have gradually entered the individual and private economic fields.

Development Institute Founded in Shenzhen

HK0506100292 Beijing RENMIN RIBAO in Chinese
27 May 92 p 3

[Report: "China Institute for Scientific and Technological Development Founded in Shenzhen"]

[Text] After nearly a year of preparations, the China Institute for Scientific and Technological Development was recently founded officially in Guangdong Province's Shenzhen City. At the first meeting of the board of directors, Li Xue of the State Science and Technology Commission was elected chairman of the board and Guangdong's Lu Zhonghe and Shenzhen's Zhu Yuening were elected deputy directors.

The institute was founded with the support of the State Science and Technology Commission, the Guangdong provincial government, and the Shenzhen City government. The institute's main duties are to organize explorations in high and new technologies and new products, accept and distribute technological transformation projects and technological construction projects inside and outside the country, apply the fruits of new technology to new products, provide a scientific and technological information service, organize technological training classes, and conduct technological exchanges at home and abroad.

The board of directors decided that the director and deputy directors will serve as the head and deputy heads of the institute. According to information, within this year it will have accomplished the work to organize five to seven development centers in special fields of study.

Shenzhen Invests in Basic Facilities Construction

OW0506104692 Beijing XINHUA in English
1030 GMT 5 Jun 92

[Text] Shenzhen, June 5 (XINHUA)—Shenzhen, China's leading special economic zone in Guangdong Province, plans to invest up to 100 million yuan by the year 2000 to improve transportation, energy supply and power facilities.

According to Vice-Mayor Li Chuanfang, the city will concentrate on highway construction in the coming years.

The plan calls for the construction of subways linking the city's railway station with the airport, Shenkou and Huanggang Ports, in addition to offering increased railway services from Shenzhen to other cities once passenger and freight facilities at the railway station are completed.

Shenzhen will also build an expressway from Bao'an County to the Shenzhen Airport. The highway will also be linked to the Shenzhen-Shantou, Shenzhen-Huizhou and Shenzhen-Guangzhou expressways. At the same time, the city will add 10 pedestrian crossings to its present highway and street system.

While continuing to purchase power from Hong Kong, Shenzhen will accelerate construction of the Mawan and Dongbu Power Plants.

The first 300,000-kilowatt generating unit at the Mawan Power Plant, which will have a power generating capacity of 1.8 million kilowatts, is expected to go into operation in 1993, and the 2.4 million kilowatt Dongbu Plant is scheduled to go into operation in 1999.

According to Li, the city will also increase the number of long distance telephone exchanges from 6,100 lines at present to near 86,000 lines, while the number of urban telephone exchanges will rise from 176,000 lines to near three million lines.

The number of mobile telephone users in the city is expected to rise from 514 to 366,000, while the number of beepers in use will increase from 145,000 to over 700,000.

In addition, the city will increase the number of post offices from 69 to 206 by the end of this century.

Shenzhen will also expand two waterworks and explore for develop additional water sources.

Deng Hongxun Back From Singapore, Thailand

*HK0506125092 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 3 Jun 92*

[Text] The Hainan provincial economic investigation delegation headed by Deng Hongxun, provincial party committee secretary and provincial overseas exchange association honorary president, successfully concluded its visit to Singapore and Thailand and arrived back in Haikou by plane at noon yesterday.

Provincial party committee, people's representatives conference, government, and Chinese People's Political Consultative Conference committee leaders, including [provincial Governor] Liu Jianfeng, Gu Qinglin, Wang Houhong, Dong Fanyuan, Liu Xuebin, Chen Yu, Pan Qiongxiong, Meng Qingping, Mao Zhijun, Wang Xueping, and Chen Kegong, as well as persons in charge of various departments concerned, greeted the delegation upon its arrival at the airport.

When interviewed by reporters at the airport, Deng Hongxun gave an account of his visit to the two countries. He said: Though the visit to Singapore and Thailand was a short one, we have scored remarkable achievements and achieved the desired results. In our more-than-half-a-month investigative activities, the delegation made extensive contacts with the Overseas Chinese of Hainan origin as well as persons from all walks of

life in both countries, and was warmly welcomed by both the Overseas Chinese and the governments of both countries. During our investigative visit, we also briefed the persons concerned in the two countries on Hainan's economic development principles and policies, as well as Hainan's exploitation and construction situation. The persons concerned, as well as Overseas Chinese of Hainan origin in the two countries, expressed their willingness to invest in Hainan. During our investigative visit, we saw with our own eyes numerous significant achievements scored by Singapore and Thailand in communications, tourism, exploitation, and other aspects. The two countries have accumulated rich experiences from which we can learn a lot.

Deng Hongxun stated: The visit to the two countries has greatly deepened the traditional friendship between the Hainan people on the one hand and the Singapore people and Thai people on the other and opened up broader vistas for future bilateral economic exchanges. The visit is bound to give a powerful impetus to Hainan's opening up and external exchanges.

Activities of Hainan's Liu Jianfeng Reported

Meets Shanghai's Wu Bangguo

*HK0506061492 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 2 Jun 92*

[Text] A 13-member Shanghai investigation delegation headed by Wu Bangguo, secretary of the Shanghai Municipal CPC Committee, concluded its investigation in our province and left Haikou for Shanghai yesterday.

The Shanghai delegation arrived in Haikou 21 May and carried out investigative activities in our province for seven days. During the delegation's investigation, our provincial party and government leaders, including [Governor] Liu Jianfeng, Gu Qinglin, Wang Houhong, and Mao Zhijun, met with Wu Bangguo and his entourage and briefed them on Hainan's resources as well as the situation of Hainan's economic construction, structural reform, and invitation of foreign funds ever since Hainan was turned into a province.

The Shanghai investigation delegation visited all four large development zones and some enterprises in Haikou city and went to Wenchang, Xinlong, Lingshui, Sanya, Dongfang, Yangpu, and some other areas to investigate.

After completing an islandwide investigation, Wu Bangguo held that Hainan enjoys unique natural conditions and has developed very fast and taken the lead in structural reform, social security system reform, and other types of reforms ever since becoming a province. In addition, cadres at both higher and lower levels in Hainan have maintained an excellent mental outlook.

Wu Bangguo pledged to further strengthen Shanghai-Hainan commercial and tourism cooperation as well as cooperation in various other fields in the years to come.

Addresses S&T Conference

*HK0506050092 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 27 May 92*

[Excerpts] A two-day provincial science and technology work conference ended in Haikou yesterday afternoon [27 May]. Provincial party, people's congress, government and Chinese People's Political Consultative Conference committee leaders, including Liu Jianfeng, Dong Fanyuan, Huang Zongdao, Xin Yejiang, and Hu Kai, attended the conference.

Liu Jianfeng delivered a speech entitled: Profoundly Carry Out the Activities of Invigorating Hainan With Science and Technology To Meet the Demands of Large-Scale Reform, Opening up, and Construction. He stressed: This year our province's practical work must continue to be guided by Comrade Deng Xiaoping's important speech. We must firmly stick to the center of economic construction and seize the present favorable opportunities to promote our province's extraordinary economic development. He added: To promote Hainan's extraordinary economic development, we must first rely on the policies of reform and opening up. Second, we must rely on science and technology and the development of high-grade and precision technology. Science and technology are Hainan's basis for economic takeoff. To truly promote science and technology, we must do work well in the following aspects:

1. It is necessary to strongly promote our propaganda work to enhance the understanding of all people that science and technology is the primary productive force. It is necessary to change our thinking to promote the integration of science and technology and the economy. [passage omitted]

2. It is necessary to truly increase our investment in science and technology. We face numerous difficulties and strenuous tasks in doing so. However, as long as we attach importance to it mentally, and, in particular, leaders at all levels truly pay attention to it and adopt effective measures, it is absolutely possible to increase our investment in science and technology year by year. [passage omitted]

3. It is necessary to give full play to the role of our scientific and technical workers and commend and award those who have made noted contributions. Scientific and technical workers are the developers of our new productive forces. Respecting knowledge and talented personnel and giving full play to our scientific and technical workers' enthusiasm, initiative, and creativity is a prerequisite for promoting our scientific and technical projects. Therefore, it is necessary to award those scientific and technical workers who have made outstanding contributions. We must have a firm idea in this matter. Vagueness is not allowed. [passage omitted]

4. It is necessary to give full play to the role of our scientific and technological associations. They are important strengths for invigorating Hainan with science

and technology. Various cities, counties, departments and enterprises must attach importance to the work of scientific and technological associations, establish and improve various scientific and technological organizations and professional groups to give play to their roles. [passage omitted]

In conclusion, Governor Liu expressed the hope that the entire province would be of one heart and one mind, pool the wisdom and efforts of the masses, seize on the present favorable opportunities, further emancipate minds, and be bold in exploring the way forward to create a new situation in our province's scientific and technological work. [passage omitted]

At Double Support Work Meeting

*HK0306141292 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 30 May 92*

[Text] The provincial leading group in charge of double support work held its third plenary meeting in Haikou yesterday afternoon.

The meeting was attended by [provincial Governor] Liu Jianfeng, Gong Pingqiu, Chen Suhou, Liu Ruidong, Zhu Chuantong, Xu Chunming, and Chen Xixiang, as well as leaders of the provincial civil affairs department, the provincial public security department, the provincial communications department, and the provincial financial and taxation affairs department, and leaders of all three armed services of the People's Liberation Army stationed in Hainan.

The meeting was presided over by Liu Jianfeng, chief of the provincial leading group in charge of double support work and provincial governor.

Gong Pingqiu, deputy chief of the provincial leading group in charge of double support work and Hainan Provincial Military District political commissar, organized the participants to conscientiously study the 1992 Central Document No. 3 at the meeting.

At the meeting, the participants freely aired their views, conscientiously analyzed the current provincial double support work situation, affirmed the achievements scored by Hainan in carrying out and implementing the spirit of a national double support work conference and a provincial conference on commending advanced double support units and individuals as well as in unfolding activities of building model double support cities and counties in a down-to-earth manner ever since the start of this year. They also laid bare a number of problems plaguing the provincial double support work.

At the meeting, Liu Jianfeng emphatically called for studying and implementing the spirit of Comrade Deng Xiaoping's important speeches made during his south China tour early this year as well as the spirit of the 1992 Central Document No. 3, gearing the provincial double support work to promoting the two civilizations building in the Hainan Special Economic Region, and mobilizing both people and troops across the province to carry out

activities of building model double support cities and counties in a down-to-earth manner so as to push the provincial double support work to a new stage.

Henan City Offers Investors Preferential Policies

OW0406072692 Beijing XINHUA in English
0651 GMT 4 Jun 92

[Text] Beijing, June 4 (XINHUA)—Pingdingshan city in central China's Henan Province recently drafted 16 preferential treatment policies and designated a 12-square-kilometer area for an economic and technological development zone for domestic and overseas investors.

The municipal government also announced it would hold a fair in Shenzhen city on June 20, at which time local officials will officially announce the preferential policies and the offer of 200 cooperative projects.

Pingdingshan Mayor Wang Quanshu said the economic pillars of the rising industrial city are its coal, power, steel, chemicals and textiles industries. In 1991, the city's annual industrial and agricultural output value reached 12.87 billion yuan.

The city, which is located in southwestern Henan Province also plans to transform itself into a key energy and chemical industrial center in the coming years.

In order to take full advantage of its modern energy industry, the city has completed feasibility study regarding the approval of 200 projects with total investments of over 5.93 billion yuan. Some 66 of the projects have been listed as key state and provincial construction projects, and 17 have been approved for construction in the near future by both the state or provincial government.

Those receiving approval include two 300,000-kilowatt generating units at the Yaomeng Thermal Power Plant; a nylon 66 salt plant with an annual production capacity of 30,000 tons; a 100,000-ton coal tar plant; and a salt plant with an annual production capacity of 300,000 tons. In addition, expansion projects have been approved for tire core fabric, cement and chemical fertilizer plants.

The 16 preferential policies, which are designed to encourage investment, cover examination and approval procedures, management, land leasing, labor, taxation and credit.

According to the new policies, local authorities must reply to overseas investors concerning applications, suggestions, feasibility studies and contracts within five days. In cases where overseas investment in an enterprise is at least 51 percent, the foreign investor can decide on the management system, retain decision-making power concerning production and operation, and have the final say in regards to employment.

High-tech firms and enterprises whose exports account for over 50 percent of output will be exempted from income taxes, operational taxes and product—

value-added—taxes for a period of five years. During the following five year period such taxes will be reduced by 50 percent.

Local banks will also provide loans of two yuan on the U.S. dollar for overseas investment for capital construction. The foreign-funded enterprises can also obtain loans and funds by mortgaging fixed assets, as well as issuing stocks and bonds.

Charges for transportation, water and gas, services, and construction and design will be equal to those paid by local state enterprises. In addition, medical care, food, housing, tourism and transportation fees for overseas workers and their families will be the same at those charged to local residents.

Local authorities will also grant preferential treatment to foreign-funded enterprises involved in insurance, telecommunications and other specified sectors.

Southwest Region

Guizhou's Wang Chaowen at Secretaries Meeting

HK0506061292 Guiyang Guizhou People's Radio
Network in Mandarin 2300 GMT 2 Jun 92

[Excerpts] The Guizhou Provincial CPC Committee held a provincial conference of prefectural, autonomous prefectural, and city party committee secretaries 1-2 June in Guiyang.

The conference relayed and studied the spirit of a CPC Central Committee instruction; further discussed the issue of expediting provincial reform, opening up, and economic development; and reviewed the provincial work in the preceding period.

The conference held: Encouraged by the spirit of Comrade Deng Xiaoping's important speeches made during his recent south China tour, as well as the spirit of a recent CPC Central Committee Political Bureau plenary meeting, cadres and masses across the province have further emancipated the minds, made earnest efforts, carried out work in a down-to-earth manner, and made new progress in all fields with the result that provincial industrial and agricultural production are growing satisfactorily.

The conference emphatically stated: In studying and implementing the CPC Central Committee instruction, it is necessary to grasp the current excellent opportunity to quicken the pace of reform and opening up and push the provincial national economic development onto a new stage at an earlier date, this being a strategic task for the entire party membership. The reform should focus on shifting the enterprise operative mechanism, the key to which lies in delegating decision-making power to enterprises and the core of which lies in granting enterprises the power to employ personnel, arrange for labor, distribute bonuses, price products, make investment, and carry out import and export trade, thus gearing

enterprise production to market demands and making enterprises real commodity producers and operators which possess independent decision-making power and assume full responsibilities for profits and losses, and are capable of self-development and self-restriction. Moreover, it is necessary to quicken all types of corresponding reforms, transform government functions, clearly view the overall national situation of opening up, grasp opportunities, and waste no time in successfully fulfilling various major tasks with a view to further expanding Guizhou's opening up.

The conference called for expediting rural commodity economic development and scientific and technological and educational structural reform, and transferring a large number of qualified personnel from various types of scientific research units and higher learning institutions to the key economic battlefield to develop high-grade precision technologies, and also called for properly handling relations between speed and efficiency and making efforts in a down-to-earth manner to push ahead with province-wide reform and opening up. [passage omitted]

The conference also studied current production and economic work and emphatically called for wasting no time in strengthening agricultural production, adopting all sorts of effective measures to carry out rush harvesting and planting, trying in every way to expand cultivated area, raising multiple crop indexes, and striving to fulfill and overfulfill the agricultural production plan.

With regard to industry, the conference called for readjusting structure, increasing efficiency, improving product marketing, promoting production development, further shifting operative mechanisms, carrying out market-oriented competition, fulfilling this year's production plan, and increasing financial revenue.

The conference stressed: While speeding up reform, expanding opening up, and developing the economy, it is imperative to simultaneously grasp two aspects. To this end, it is necessary to successfully step up the party's ideological and style building as well as the clean-government building, resolutely crack down on all sorts of criminal activities, and safeguard social stability.

[Governor] Comrade Wang Chaowen and Comrade Long Zhiyi jointly presided over the conference.

Wang Chaowen delivered an important speech at the end of the conference.

Danzim Views Tibetan Regional Reform Measures

OW0506063992 Lhasa Tibet Television Network
in Mandarin 1200 GMT 4 Jun 92

[By station reporters Jiang Li and Mi Ma; from the "Tibet News" program]

[Text] A meeting of responsible persons from several regional economic and ideological departments was convened by Danzim, deputy secretary of the autonomous regional party committee, in the conference room of the party standing committee on 2 June. It reported on and discussed departmental progress in studying and implementing the guidelines of Comrade Deng Xiaoping's important speeches during his trip to southern China. Attending the meeting were responsible persons from the industry and electricity department; the commerce department; the communications department; the planning and economic commission; the agriculture, animal husbandry, and forestry commission; XIZANG RIBAO; the radio and television department; the cultural department; the education, science, and technology commission; and the public health department. [video opens with long shot showing Danzim and scores of participants seated at rows of long tables in conference room; cuts to close-ups of Danzim speaking and pan shots of participants discussing and taking notes]

The participants said that by studying and implementing the guidelines of speeches made by Comrade Deng Xiaoping in southern China, they have further emancipated their minds, changed their mentality, acquired a clear idea of the demarcation between capitalist and the socialist measures, deeply understood that development outweighs everything else, started to overcome contentment with the status quo, strengthened their sense of urgency and crisis, begun changing their past mentality of relying on aid and avoiding risks, become more decisive in embarking on new ventures, and given impetus to momentum in breaking free from the closed, conservative mentality.

Comrade Danzim spoke at the forum's close. He said: Seeing a spring tide of reform and opening up to the outside world, leaders and cadres at various levels in Tibet could no longer sit still. How to seize the opportunity? How to face up to the challenges?

First, we should greatly improve our understanding, effect a major change in our mentality, and achieve significant progress in emancipating our minds in order to create a strong sense of urgency, crisis, and mission. The spring tide of reform impels us to make self-examination and draw a lesson from our bitter experience to find out how far and why we lag behind others. We have failed to boldly blaze new trails and conduct experiments because our minds have yet to be fully emancipated and are still haunted by undue suspicion against capitalism. As a result, we now acutely feel the widening gap between Tibet and coastal areas and realize that slow progress also means retrogression. Some of our comrades judge the development of southeastern coastal areas by old standards and indulge in self-admiration by viewing their own backward thinking as socialist. If this mentality does not change, we stand to lose many more opportunities for development. We should stop emphasizing the planned economy to the neglect of the market

economy, emphasizing production to the neglect of circulation, and emphasizing administrative measures to the neglect of economic and legal means.

To invigorate our economy, we should first consider these three questions—transforming enterprise operating mechanisms, changing government functions, and reforming the social security system. The key to transforming operating mechanisms lies in delegating to enterprises decisionmaking powers in labor and personnel management, distribution of wages and bonuses, product pricing, and investment, which includes the scope of business. I think we should delegate these powers to any enterprise able to operate independently, assume full responsibility for its profits and losses, pursue self-development, and exercise self-restraint.

Of course, we should not compare Tibet's enterprises with those in the country's interior on equal terms, as Tibet has its own practical market and energy problems. There are still many problems that bar us from leaving enterprises entirely to the market; however, Tibet's enterprises would have little hope of prosperity without delegation of decisionmaking powers.

Without the development of village and town enterprises, it will be impossible to solve the problems of food and clothing for peasants and herdsmen or to upgrade the regional economy. The key to developing agriculture and animal husbandry still lies in developing village and town enterprises. We should adopt preferential policies and supportive measures to help develop village and town enterprises.

Comrade Danzim said: Like a small temple crowded with gods, our administrative organizations are overstaffed and have a setup in excess of what a poor locality really needs. Governments at all levels in Tibet should change their work style to go deep into grass-roots units, carry out investigation and study, implement a system of overall regulation and control, and exercise supervision without jeopardizing the enterprises.

Comrade Danzim said: Aside from underutilizing our superior resources, we are being overburdened with our disadvantages; this is an aspect of our present situation. Tibet abounds with natural and cultural resources of unique characteristics, but they are under-utilized. On the other hand, the disadvantages associated with a minority, outlying, and impoverished region have created a heavy burden that gives rise to a dependent mentality of passivity, pessimism, and reliance on aid from the state as well as a lack of initiative for self-development. When discussing ways to transform the economy from one counting on aid to one relying on our own development and from a dependent one into a productive one, our sights are set on changing this situation and putting our superior resources to good use.

Comrade Danzim said: Seriously hindered by past achievements, we lack a sense of anxiety toward the present backward aspects of the region and used to make vertical, rather than horizontal, comparisons. Tibet

deserves every praise for its tremendous achievements and truly earth-shaking improvements over the past four decades; however, compared with the coastal areas and inner part of the country, we are still the poorest region with the least developed productive forces. As the people's living standards are still very low, we should have a sense of anxiety. Without realizing the gap between Tibet and the inner part as well as the coastal areas of the country, how are we going to attain a rank among the nationalities of China? Tibet does have hope and potential, but the main problem is that we lack a strong sense of competition and concept of commodity market as well as an enterprising spirit. With the development of the economy and the deepening of reform and opening up to the outside world, we will see clearer that the key to invigorating Tibet's economy lies in bringing out internal vitality, pursuing development and prosperity through our own efforts, and creating new production points.

In conclusion, Comrade Danzim said: We should overcome the dependent mentality that gives rise to the fear of breaking new paths and taking risks. If we are to really invigorate our economy, we should learn from coastal areas' experience and change the administrative habits existing in our planned economy, as the reliance on administrative means in economic administration means restricting ourselves within self-imposed limits. In formulating economic policies, we should delegate decisionmaking powers and lift various restrictions to create a relaxed environment for economic development and allow greater play to enterprises' initiatives and enthusiasm. We must gradually move enterprises toward the market.

Tibet's Gyaincain Norbu on Protecting Environment

*OW0506044892 Lhasa Tibet Television Network
in Mandarin 1300 GMT 4 Jun 92*

[Televised speech by Gyaincain Norbu, chairman of the Tibet Autonomous Region, to mark the 20th anniversary of the publication of "Declaration on the Human Environment": "Develop Tibet's Economy and Protect Plateau's Environment"; date, place not given]

[Text] Comrades, friends: Tomorrow is World Environment Day, which is also the 20th anniversary of the publication of "Declaration on the Human Environment." I want to talk about the problems of environment and development, which are common concerns to us all.

The environment is the foundation of mankind's existence and development. The root cause of environmental problems, in the final analysis, can be traced to mankind's irrational utilization of environmental resources. Mankind is now facing a series of environmental problems on a global scale. Changes in climate, damage to the ozone layer, desertification, disappearance of forests, reduction and extinction of species, exacerbation of soil erosion, insufficient fresh water, and water pollution

have increasingly posed severe challenges to mankind's sustained development and existence.

The purpose of the United Nations in publishing "Declaration on the Human Environment" was to call on mankind to stress protection and improvement of the environment if it wanted to continue to exist and develop.

Our government has attached great importance to the work of protecting the natural environment, made it one of the basic national policies, formulated a number of effective principles and policies on environmental protection, paved a road toward environmental protection which is adapted to China's situation and has Chinese characteristics, and made unremitting efforts to improve environment.

All levels of government and the departments in our region have implemented the state's principles, policies, laws, and measures relating to environmental protection. People in the whole region have worked hard to constantly improve the environment in our region and promoted the economic construction.

As economic and social development give rise to environmental problems, the ways to solve environmental problems and prevent them may be found in the course of development. Development causes environmental problems, but it also serves as a motivation force in solving them.

We should strive for a coordinated development of population, economy, and environment. While developing the economy, we should give equal attention to both the law of economy and nature; otherwise, the objective law will penalize us.

On this point, we should draw a lesson from both domestic and foreign experience. At present, we are faced with an arduous task in protecting the environment in our region. Our region is one of our country's underdeveloped areas. If we want to make Tibet prosperous and realize the socialist modernization construction, we must prioritize the development of the national economy and center all our efforts on economic construction.

Therefore, as an important part of the national economic and social development, we should make the work of environment protection always serve the general goals of socialist modernization construction, make it better promote the development of economic construction, and improve the quality of people's living standards.

At the same time, in the course of economic development, we should prevent environmental pollution and ecological damage and strive for a coordinated development speed for environmental protection, improvement, and for the national economy.

In future work it is necessary for all levels of government and the departments to properly deal with the relationship between environmental protection and economic

development; help solve practical issues; continuously adhere to the strategic tasks of formulating development plans and implementation measures for economic, urban, rural, and environmental construction; follow the principle of seeking unity for economic, social, and environmental efficiency; and include the work of environmental protection in the national economic and social development plan and in the annual plan, so as to achieve a balanced and coordinated development for environmental protection and various kinds of construction.

It is necessary to stress development, utilization, and protection of resources and rationally use natural resources.

Economic conditions permitting, we should carry out environmental protection construction in a planned, step by step, and purposeful way; protect and improve the ecological environment; step up management of the environment; implement policies that stress prevention of environmental pollution together with a policy of "whoever pollutes the environment must be made to remedy it and whoever carries out development must be held responsible for protecting the environment"; mobilize the initiative and creativity of various departments, units, and people on protecting the environment; step up work on formulating laws and regulations for environmental protection; improve existing laws and regulations on environmental protection in our region; inspect the implementation of laws and regulations; gradually systematize environmental management; gradually build an environmental protection structure which provides a unified management; bring about mutual coordination; organize a division of labor; assign respective responsibility to responsible persons at all levels of government, environmental protection agencies, and economic management departments; devote great efforts to training environmental protection technical personnel; gradually establish and improve the environmental monitoring network so as to efficiently monitor environmental changes; energetically launch publicity and educational campaigns on environmental protection; constantly raise the awareness of people in the region regarding environmental protection as well as their scientific knowledge of the environment; strengthen scientific research on environmental protection; rely on technological progress to improve the environment; and carry out environmental protection cooperation and exchanges with other domestic regions and with foreign countries, so as to promote the development of environmental protection work in our region.

We are convinced that if we constantly sum up experiences from actual work, walk along our country's road to environmental protection, take into consideration our region's actual situation, and constantly develop and improve, we will score new achievements in our region's environmental protection, and will surely promote the development of our region's economic construction.

Prefecture in Tibet Develops Border Trade

HK0506125492 Beijing ZHONGGUO XINWEN SHE
in Chinese 0308 GMT 29 May 92

[By reporter Zhang Lei (1728 7191): "Border Trade in Tibet's Xigaze Prefecture Continues To Develop"]

[Text] Xigaze, 29 May (ZHONGGUO XINWEN SHE)—Border trade in Tibet's Xigaze Prefecture has developed quickly in recent years. Now it has a class-one port, two class-two ports, and 17 civilian border trade sites, where businessmen and tourists keep coming and going. Last year's trade as well as imports and exports at joint trade fairs [hu shi mao yi 0062 1579 6319 2496] in Zhangmu port alone totaled 180 million yuan, indicating optimistic prospects and potential for opening border areas.

When answering this reporter's questions a few days ago, Bao Youde, deputy secretary of the Xigaze Prefectural CPC Committee, said that there are comparatively many border counties in Xigaze Prefecture, nine altogether, and the border is more than 1,500 km long. Tibet Autonomous Region's biggest import and export port is in Zhangmu, Nielamu County, Xigaze Prefecture. In 1991, the transport volume of import and export goods at joint trade fairs in this class-one commercial port topped 12,600 metric tons. In addition, there are two class-two ports in this prefecture: One is Riwu port in Dingjie County and the other is Jilong port in Jilong County. Since 1980, civilian foreign trade sites in the prefecture's border counties and townships have gradually thrived. Now the prefecture has 17 sites for joint trade fairs on the borders, with barter trade as the main form.

Xigaze Prefecture was a late-Zang [hou zang 0683 5661] area in Tibetan history. With a comparatively good agricultural and animal husbandry foundation, it has long engaged in commodity exchanges with civilians on the Bhutanese and Nepalese borders. In recent years, some border counties and townships in this prefecture have frequently held some small-scale commodity sales exhibitions to attract civilians on the borders of the neighboring countries. In the overall foreign trade structure, joint trade fairs on the borders have promoted the prefecture's foreign trade development. Purely barter trade in the past is now proceeding along with spot exchange [xian hui 3807 0565] trade. The prefectural foreign trade bureau has been established, which also has an office in Nepal. The varieties of its export goods have expanded from sheep's wool and cashmere to live sheep and rapeseeds.

It has been learned that border trade is divided into civilian joint trade fairs and official foreign trade, including joint trade fairs, barter trade, spot exchange trade, and a small amount of futures trade. This is an important component in the course of opening up Chinese border areas at present.

At present, as a result of a visit to China by the Indian president and the development of reform and opening up on the mainland, the local government and relevant state departments have started drawing up some ideas on opening Yadong port. In the local general plan on "stabilizing the eastern part, strengthening the construction of border trade areas, and gradually moving toward the east," there are close relations between opening Yadong port and building the Jiangmu development zone. This indicates broad prospects and further development for the region's foreign trade, particularly border trade.

Pu Chaozhu Addresses Young Pioneers Congress

HK0506061592 Kunming Yunnan People's Radio
Network in Mandarin 1000 GMT 1 Jun 92

[Excerpts] The First Yunnan Provincial Chinese Young Pioneers Congress was convened in People's Victory Hall this morning in Kunming.

Provincial party and government leaders, including Pu Chaozhu, Lin Xingwang, Li Guiying, Liu Shusheng, Zhao Suming, Ren Keli, Liang Jinquan, Wang Guangxian, Hou Qunying, Li Shuji, Chen Liying, Liu Shaoyao, and Liang Lin, as well as persons in charge of various departments concerned, attended the opening ceremony. [passage omitted]

Yang Guangcheng, provincial Chinese Communist Youth League committee secretary, delivered an opening speech. [passage omitted]

Provincial party committee Secretary Pu Chaozhu delivered a congratulatory speech at the opening ceremony in which he stated: Children are the flowers of the motherland and the future of socialism. Our nation's destiny as well as our state's future and hope in the next century will be determined by the children. Children shoulder a heavy historical task.

Pu Chaozhu expressed the hope that children and juveniles will cultivate in their early studies and life a fine character marked by love for the motherland, the people, labor, science, and socialism to become good offspring of the party and people as well as socialist successors with lofty ideals, moral integrity, a sense of discipline, and cultural accomplishments when they grow up.

Pu Chaozhu pointed out: It is necessary to grasp the work of fostering and educating juveniles at the basic level, namely, by focusing on Young Pioneers work. To this end, party and government leaders at all levels, as well as all of society, must show concern for the growth of juveniles and support young pioneers work.

Pu Chaozhu called on the broad masses of children and juveniles across the province to foster a lofty ideal; set themselves grand goals; cultivate a fine character and foster ethical values; study hard; make progress every day; and strive to become good pupils and students with comprehensive accomplishments in ethics, academic

studies, physical training, and aesthetics, as well as qualified successors to the socialist cause.

Li Xingwang, chairman of the provincial advisory committee and provincial commission with concern for the younger generation, also delivered a speech at the opening ceremony.

The congress commended 10 outstanding Young Pioneers, 20 advanced Young Pioneers collectives, and 10 outstanding instructors. [passage omitted]

State Council Investigation Group Visits Yunnan

HK0506090092 Kunming Yunnan People's Radio Network in Mandarin 1000 GMT 3 Jun 92

[Text] To carry out and implement in an in-depth manner both the spirit of a series of speeches made by Comrade Deng Xiaoping during his south China tour and the spirit of a central nationalities affairs work conference, a State Council investigation delegation headed by Li Dezhu, State Nationalities Affairs Commission vice minister, arrived in Kunming 1 June, starting its comprehensive investigation of social and economic development in Yunnan's ethnic minority areas as well as Yunnan's border trade situation.

The investigation delegation is formed of persons in charge of the State Nationalities Affairs Commission, the Ministry of Foreign Economic Relations and Trade, the State Commission for Restructuring Economy, the Ministry of Geology and Mineral Resources, the Ministry of Agriculture, the Ministry of Culture, the People's Bank of China, the Ministry of Personnel, the State Education Commission, the State Planning Commission, the Ministry of Railways, XINHUA, and the relevant departments of Jiangsu Province.

Over 20 days or so, the investigation delegation is scheduled to listen to reports given by, see with their own eyes, and hold talks with cadres and masses of some eight prefectures and autonomous prefectures, including Wenshan, Honghe, Xishuangbanna, Dehong, Nujiang, Baoshan, Dali, and Chuxiong. The investigation delegation will also devote most of its energy to studying a number of new problems that have cropped up in the current reform and opening up as well as a number of relevant policies with a view to accelerating social and economic development in various ethnic minority areas and promoting common prosperity among various nationalities.

Yesterday, Vice Governor Liu Xiaoyao and comrades in charge of various provincial departments concerned briefed the delegation on the provincial situation.

The delegation left Kunming for the prefectures and autonomous prefectures to start its investigation work today.

North Region

Chen Xitong on Redelegating Power to Lower Levels

HK0506075492 Beijing JINGJI RIBAO ENLARGED EDITION in Chinese 20 May 92 p 3

["Selected New Views" column: "From ZHONGGUO KAIFA BAO (CHINA DEVELOPMENT NEWS), 16 April 1992: "Beijing Mayor Says Only By Redelegating Power to Lower Levels Can One Speed up Reform, Opening Up"]

[Text] Over-concentration of power was a drawback of the old planned economic structure. As the structure's "main driving force [long tou 7893 7333]," in the past, planning departments almost monopolized everything ranging from the survival to the development of enterprises. Since the early 1980's, China's economic reform has experienced repeated swings. The government has exerted repeated efforts on the issue of delegating power to lower levels.

Mayor Chen Xitong held: In the last few years when the economic improvement and rectification program was being carried out, some powers which had already been delegated to lower levels were withdrawn. He stressed: Now it is necessary to redelegate power to lower levels. Otherwise, there will be no way to speed up the pace of reform and opening up to the outside world. The Beijing Municipal Planning Commission has now taken the lead in delegating the examination and approval power for construction projects. In the days to come, it will mainly exert macroeconomic control over investment and no longer take on all matters, large and small. This is one of the many major moves taken by Beijing Municipality to expedite reform and opening up.

Chen Xitong Hails Merger of Beijing Enterprises

OW0306191692 Beijing Central People's Radio Network in Mandarin 1030 GMT 3 May 92

[From the "National Hookup" program]

[Text] All the employees of Beijing's Lida Sewing Equipment Company sent a letter to Beijing Mayor Chen Xitong on 28 April, asking to be incorporated into a more superior enterprise. The Lida Company's wish was granted a month or so later. Today, the company formally signed an agreement to become a subsidiary of the Beijing Passenger Car Factory.

The Beijing Passenger Car Factory is one of 14 backbone passenger car enterprises in the country. It manufactures 4,000 passenger cars and earns over 200 million yuan from sales annually. Besides supplying its passenger cars to domestic consumers, the factory sells its products on the international market and garners 200 million yuan annually in foreign exchange for the country.

Limited manufacturing space has hindered the factory's development. There is a crying need for more room for

manufacturing. Factory leaders immediately conducted an inquiry after learning of the Lida Sewing Equipment Company's request for a merger. After the two sides held serious talks, the Beijing Passenger Car Factory decided to annex the enterprise that had been losing some 30 million yuan. It hopes to use the spacious premises of the deficit-ridden enterprise to get rid of unmarketable products, to expand its own operations, and to supplement each other's strengths.

Mayor Chen Xitong said: That the Lida Company took the initiative in seeking a merger demonstrates its innovative concept without regard for its sensibilities toward its trade name, standing, and prestige. It also indicates that enterprises in Beijing have entered a phase of restructuring on their own through closures, suspension of operations, mergers, or transfer to other lines of production.

Beijing High-Tech Zone 'Innovative,' 'Successful'

HK0506105792 Beijing CHINA DAILY in English
5 Jun 92 p 1

[By staff reporter Hong Xin: "High-Tech Zone Blazes Some Trails"]

[Text] Beijing's high-tech development zone has been innovative and successful in combining production with science and technology. Vice-Premier Zou Jiahua said at the zone's fourth anniversary celebration held yesterday.

He also urged the zone to take better advantage of its talent and technology and make full use of preferential policies granted by the State to speed up development.

Located in the capital's Haidian District, the zone was the first of its kind in China approved by the State Council. Since it opened in 1988, the zone has achieved marked economic returns, said director Hu Shaoguang.

Its total returns in the industrial, technological and trade sectors registered 10 billion yuan (\$1.85 billion), with a high annual growth rate of 51 percent.

So far, 40,000 people from major academies, institutions and universities have set up more than 1,400 high-tech enterprises in the zone.

In addition, the zone was appraised by Zou as a trail-blazer in integrating high-tech technology with conventional production.

Hebei Opens Investment Symposium in Shenzhen

SK0406072192 Shijiazhuang HEBEI RIBAO
in Chinese 7 May 92 p 1

[By reporter Wang Jinying (3769 6651 5391) and Wang Ning (3769 1337): "The Provincial Symposium To Present Foreign Economic and Technological Items Held in Shenzhen"]

[Excerpts] The 1992 provincial symposium to present foreign economic and technological cooperative projects which has attracted the attention of the people throughout the province ceremoniously opened in Shenzhen today.

The front of the Huanyu Hotel—the main site of the provincial foreign economic and technological symposium—was arrayed with nearly 50 floral baskets sent by famous companies in Hong Kong, Macao, and Taiwan early in the morning. The big red-lettered symposium sign hung on the upper side of the entrance hall attracted passers-by.

More than 400 traders from Hong Kong, Macao, Taiwan, and some countries and regions attended the opening ceremony. Nearly 1,000 people from the economic circles of various localities across our province also attended the symposium.

Attending today's opening ceremony were provincial leaders, including Li Bingliang, Yang Zejiang, Guo Zhi, Ye Liansong, Liu Shanxiang, and Huang Lan, as well as Hu Zhengguang, vice chairman of the Shenzhen City People's Congress Standing Committee, and Zhu Yuening, vice mayor of Shenzhen City. [passage omitted]

Ye Liansong, executive vice governor and vice chairman of the organizing committee of the symposium, gave an opening address. On behalf of the Hebei Provincial People's Government and the organizing committee, he first extended a warm welcome and heartfelt thanks to compatriots from Hong Kong, Macao, and Taiwan; Overseas Chinese compatriots; friends from industrial and commercial circles of various countries; and leaders of the Hong Kong office of XINHUA NEWS AGENCY, Guangdong Province, and Shenzhen City. He said: The Hebei Provincial symposium to present foreign economic and technological cooperative projects is a grand gathering for compatriots from Hong Kong, Macao, and Taiwan; Overseas Chinese compatriots; and friends from the industrial and commercial circles of various countries. We will present a number of economic and technological cooperative items and welcome all friends to hold trade talks on the items in which they are interested.

Ye Liansong said: Hebei Province is one of our country's economically-developed coastal provinces and is located around Beijing and Tianjin. In more than 10 years of reforms and opening up, it has witnessed fairly rapid development in economic construction and all other undertakings. Since this year in particular, the tide of reform and opening up has surged and the pace of economic development has been accelerated. As of 20 April this year, we had signed 111 enterprise contracts with foreign businessmen for a total investment of \$307.53 million, of which \$185.09 million were foreign investment.

Over the past few years, Hebei Province has been exerting efforts to improve the investment environment and strengthen communications, telecommunications,

power, and water supply infrastructure facilities. Some supporting facilities are being gradually improved. Our province has formulated a series of preferential policies to encourage foreign investment, and made specific regulations on delegating examination and approval powers to the lower level, simplifying working procedures, and raising working efficiency. Qinhuangdao city has already set an example of examining and approving a solely foreign-funded enterprise within two days.

During this symposium, we will carefully select more than 1,000 economic and technological cooperative items involving more than 10 industries such as textile, metallurgical, chemical, building materials, light industrial, medicines, machinery, electronics, agricultural, and animal husbandry industries. Various contract forms, including joint, cooperative, foreign-funded, or compensation trade may be adopted and the contract scope may also be expanded to various spheres, including the paid transfer of land-use rights for development, commodity trade, contract projects, and tourism. [passage omitted]

Foreign Funds Help Upgrade of Hebei Enterprises

OW0506091592 Beijing XINHUA in English
0813 GMT 5 Jun 92

[Text] Shijiazhuang, June 5 (XINHUA)—Large- and medium-sized enterprises in Qinhuangdao city, in north China's Hebei Province, have accelerated technological transformation efforts by using foreign investment.

The city, one of China's 14 open coastal cities, has initiated a series of measures to encourage its enterprises to attract additional foreign investment and advanced technology and equipment to launch co-operative enterprises.

To date, enterprises in the city have formed 88 co-operative enterprises with foreign investors, with total investments exceeding 530 million U.S. dollars, including 122 million U.S. dollars provided by foreign investors.

These co-operative enterprises are currently engaged in the production of building materials, machinery, textiles, light industrial products and electronics.

State Council Approves Hebei Airport Construction

SK0406082992 Shijiazhuang HEBEI RIBAO
in Chinese 8 May 92 p 1

[Text] Construction of the Shijiazhuang Zhengding Civil Airport, the first large-scale civil airport of Hebei Province, was formally approved by the State Council and the Central Military Commission on 27 April.

The Shijiazhuang Zhengding Civil Airport will be located in Zhengding County, 33 km from Shijiazhuang City. This airport is conveniently located since it is adjacent to the Beijing-Shenzhen Expressway and the Beijing-Guangzhou Railway to the west. Upon completion, this airport will be able to accommodate wide

airplanes such as Boeing 757's and A-310's, and will ensure alternate landings of Boeing 747-400's.

The design work for this airport has already started, and the feasibility report has recently passed appraisals by specialists. With the construction beginning in the second half of this year, the airport will be completed and made available to users in one and one-half years. When the time comes, this airport will open routes to such major domestic cities as Beijing, Guangzhou, Shenzhen, Shanghai, Shenyang, Harbin, Xian, Chengdu, Nanjing, Hangzhou, Xiamen, Fuzhou, Guilin, and Urumqi; will gradually connect the passenger and cargo transportation of Zhangjiakou, Tangshan, Qinhuangdao, and Chengde; and will also accept special and chartered passenger and cargo planes from Hong Kong, Southeast Asia, Japan, and South Korea. In addition, this airport will be used as Shoudu's alternate airport to ease the burdens on Shoudu Airport.

Inner Mongolia Drafts Blueprint for Education

SK0406100892 Hohhot NEIMENGGU RIBAO
in Chinese 8 May 92 p 1

[By reporter Se Zhaorigetu (5331 2507 2480 2706 0956): "The Autonomous Regional Government Drafts Blueprint for Conducting Compulsory Education Throughout the Region"]

[Excerpt] The autonomous regional government has recently formulated the region's "plan on compulsory education" and has drafted a blueprint for the trans-century project of improving the quality of the region's people. This blueprint is: By the year 2000, the primary compulsory education should be made universal in the region, and by 2010, the junior secondary compulsory education should be made basically universal. By then, the educational quality of people of all nationalities in the region will be improved substantially.

This magnificent goal will be realized in two stages and in four steps. In the first stage, the primary compulsory education will be made universal; in the second stage, the junior secondary compulsory education will be made universal. That is, by 1992, the primary compulsory education should be conducted according to laws in most townships, sumus, and towns of the region; by 1995, the primary compulsory education should be made basically universal in the townships, sumus, and towns whose population accounts for more than 80 percent of the region's total population, the junior secondary compulsory education should be conducted in the areas whose population accounts for about 45 percent of the region's total, and the junior secondary compulsory education should be made basically universal in the areas whose population accounts for about 30 percent of the region's total; by 2000, on the basis of making the primary compulsory education universal throughout the region, the junior secondary compulsory education should be conducted according to laws in the areas whose population accounts for more than 80 percent of the region's

total, of which, the junior secondary compulsory education should be made basically universal in the areas whose population accounts for 60 percent of the region's total; and by 2010, the junior secondary education should be made basically universal throughout the region. [passage omitted]

Nie Bichu-Led Group Visits Shanghai, Other Areas

SK0406061592 Tianjin TIANJIN RIBAO in Chinese
8 May 92 p 1

[Text] Recently, Mayor Nie Bichu led a government delegation studying and inspecting Hainan Province, Shanghai Municipality, and Zhejiang Province to study and draw on their beneficial experiences and to further speed up the pace of reform and opening up.

The delegation modestly and conscientiously learned about the advanced experiences of the localities where it went, made comparisons, and earnestly learned where it lagged behind. During the visits for more than 10 days or so, the delegation traveled day and night; worked continuously; went deep to plants, enterprises, ports, wharves, the rural areas of the suburban counties, and development zones to conduct on-the-spot investigations; and also deeply and extensively held talks with provincial and city leaders, grass-roots cadres, and entrepreneurs. A few days ago, the delegation returned to Tianjin with profound feelings of friendship and the precious experiences from the two provinces and one municipality. Mayor Nie Bichu said: We have broadened our thinking and strengthened the sense of urgency by personally seeing the two provinces' and one municipality's opening to the outside world at a speed like wildfire. We not only learned some specific experiences; what is more important is that we personally experienced their cadres' and people's mental outlook of having the daring to do pioneering work, blaze new trails, and deal with solid work. This is the fundamental experience of these localities as well as a key link that we must learn first.

In Hainan Province, Deng Hongxun, secretary of the provincial party committee; Liu Jianfeng, governor of the provincial government; and Mao Zhijun, vice governor of the provincial government, introduced, in detail, the province's experiences in speeding up development and construction. Hainan Province is the largest special economic zone in our country. Over the past years, the people from higher levels downward across the province have had the daring to blaze new trails, been good at practice, made full use of the special policies and the geographic and natural advantages entrusted by the state, positively and boldly brought in domestic and foreign funds, exerted efforts to turn its potential advantages into reality, and successfully made extraordinarily rapid development. Now, Hainan has started an upsurge of opening up and large-scale construction. The delegation concentratively inspected the Yangpu area that utilizes foreign investment to make large-scale development. So far, Yangpu has formally entered a stage of

specifically implementing the development project. The provincial government successively worked out preferential policies on land development, enterprise investment and management, financial tax revenues, import and export trade, and personnel import and export. Provincial responsible comrades said that we should build Yangpu into an economic development zone where largest amounts of foreign funds are brought in, the most relaxed policies are being carried out, and the most favorable methods are adopted. The Hainan people's spirit of daringly blazing new trails left a profound impression on the delegation.

In Shanghai, the delegation held talks with Wu Bangguo, secretary of the municipal party committee; Huang Ju, mayor of the municipality; and Zhang Xiaotian and Zhao Qizheng, vice mayors of the municipality, and also inspected the Pudong development zone, stock exchanges, the construction of commercial facilities, the Minxing development zone, some large plants, and the rural areas of some suburban counties. The delegation sincerely learned from their advanced experiences. The comrades in Shanghai frankly introduced the situation in a warm atmosphere wherein the peoples of the two municipalities learned from each other's strong points to make up their own deficiencies and to advance at the same pace. Through the weekly investigations, the delegation deeply understood that the comrades in Shanghai have consciously persisted in "one center and two basic points," had the daring to conduct reform and make explorations, broken the conventions, bravely pioneered new ways, and ensured that all undertakings are vigorously advancing and developing. The delegation gained more benefits from learning about the experiences of the new Pudong area in strengthening the extent of reform, balancing the management system, improving the trading partner recruitment service, extensively collecting construction funds, deepening financial reform, perfecting the stock market, carrying out the preferential policies on land use and bringing in capital; the experiences of the commercial departments in developing large-scale commerce, circulation, and markets to accelerate the pace of rejuvenating Shanghai; and, in particular, the experiences in building Shanghai into a banking and trade center in the Far East and the plan and measures for developing high science and technology.

The 1980's was a decade when Zhejiang Province made greater headway. At the end of the 1970's, the province ranked 14th or 15th in the whole country in terms of economic targets. By 1990, the province occupied the sixth or seventh place in terms of economic targets. In particular, being a key port province, it has become the focus of world attention with achievements in opening to the outside world. The number of joint ventures doubled and redoubled, its tourist trade is well developed, and its town and township enterprises and wholesale trade markets have their special characteristics. Shen Zulun and Liu Feng, deputy secretaries of the provincial party committee, and Cai Songyue, vice governor of the provincial government, introduced the delegation to the

province's economic development strategy for the 1990's, set forth requirements for accelerating economic development, and expressed hopes on further expanding the scale of opening up. The delegation also concentratively inspected and studied Ningbo's experience in opening to the outside world and building ports.

For a period of time, the municipal party committee and the municipal government have studied and implemented the guidelines of the plenary meeting of the CPC Central Committee Political Bureau and Comrade Deng Xiaoping's important speeches, and studied and formulated the arrangements and measures for further speeding up reform and opening up. Some arrangements and measures have been implemented or will be implemented in succession. Through investigations and study, the delegation will apply the good experiences of various localities, proceed from the actual conditions of Tianjin, further perfect the thinking and policy measures for opening to the outside world, give full scope to the municipality's overall advantages, define work priorities, do solid work, speed up the pace of reform and opening up, daringly do pioneering work, and create a new situation in reform and opening up.

Tianjin Promotes Overseas Economic Cooperation

OW0506103692 Beijing XINHUA in English
1014 GMT 5 Jun 92

[Text] Tianjin, June 5 (XINHUA)—North China's coastal Tianjin city has made sound achievements in promoting economic and technological co-operation with foreign countries.

According to the Tianjin International Economic and Technological Co-operation Company, in the first four months this year the value of contracted foreign projects reached 88.5 million U.S. dollars and Tianjin has sent 4,668 laborers abroad. Both of these figures are records.

The Tianjin International Economic and Technological Co-operation Company was set up in 1982. Its business has been extended from labor export to running overseas ventures, introducing foreign investment and conducting scientific and technological co-operation.

In the past 10 years the company has established economic and technological relations with more than 70 foreign counties and regions. It has also established 15 overseas offices or agencies in 15 countries and regions.

By the end of April this year the contracted value of labor exports signed by the company totalled 370 million U.S. dollars, and more than 1.8 million labors had been sent abroad. The company has also established 18 joint ventures, co-operative ventures and solely Chinese-funded ventures abroad. All of them have been making profits.

The company has contracted for a number of urban construction projects, building highways, communication projects, water conservancy projects, offshore prospecting projects, factory buildings and civilian buildings in Kuwait, the United Arab Emirates, Laos, Thailand and the Commonwealth of Independent States as well as in some other countries in the past few years.

The sending of a large number of sailors to work on foreign ships is also one of the characteristics of the coastal city. The number of sailors sent abroad has increased from several dozen a year 10 years ago to more than 1,600 last year. They include ordinary sailors, captains, first mates and chief engineers.

The company has sent vessels to more than a dozen countries and regions, including Germany, Greece, Japan, Singapore, the United States, Hong Kong and Taiwan. The vessels include oil tankers, container ships and refrigerator ships.

The laborers sent abroad by the company are engaged in garment making, machinery, welding, building, carpentry and service trades.

In the past few years Tianjin also sent skilled people to work abroad in the fields of computer software, engineering, traditional Chinese medicine and cuisine.

Northeast Region

Jilin's He Zhukang Receives National Models

SK0406083692 Changchun JILIN RIBAO in Chinese
8 May 92 pp 1, 2

[Excerpts] "This is Zhou He, a national outstanding Communist Youth League (CYL) member, who was received by General Secretary Jiang Zemin on 4 May." "This is Liu Guirong, a national model worker, who was received by Premier Li Peng on 1 May." After the people present at the reception were introduced to He Zhukang, secretary of the provincial party committee; Zhou He, who had attended the national celebrations on the 70th anniversary of the founding of the CYL; and Liu Ruirong, who had attended the national celebrations on the 1 May International Labor Day, He Zhukang shook hands with them and said to them: I extend greetings to you and also learn from you; so do all the people of the province. You won honor for Jilin Province. Jilin is proud of you. The reporter saw the inspiring scene at the Changchun Songyue Guesthouse on 7 May. [passage omitted]

After hearing the reports by Zhou He and Liu Guirong, He Zhukang praised them as worthy of the titles and as models of the new generation. He urged that they should make consistent efforts to make greater achievements.

He said: The future belongs to the young people. The youth are the most positive and vigorous force to promote social progress. So, the young people of your generation really span this century and the next. The

party and the people have placed ardent hopes on you. The enthusiasm and fighting spirit of the people come from their understanding of the historical mission as well as their strong sense of responsibility for the times. Like Zhou He, the young people should clearly understand the duty of the times and the historical mission, ceaselessly strengthen and renew their knowledge, and comprehensively upgrade their quality in order to suit the demands of the times. We should have not only a firm, accurate political orientation but also a scientific attitude and ability in building modernization.

He pointed out: The working class is the leading class in China as well as a new force in implementing the basic line of the party. So, we should wholeheartedly rely on the working class to do everything. At the present stage of deepening reform, opening to the outside world, and transforming the managerial mechanism, the working class should positively join and promote reform and display its role in the course of building and rejuvenating Jilin. [passage omitted]

Gu Changchun, deputy secretary of the provincial party committee, and Wang Jinshan, Standing Committee member of the provincial party committee and director of the organizational department of the provincial party committee, attended and addressed the reception.

CPPCC Group Investigates Jilin's Hunchun

SK0206072292 Changchun JILIN RIBAO in Chinese
3 Apr 92 p 1

[Text] As learned from the joint investigation group to Hunchun city organized by the provincial committee of the Chinese People's Political Consultative Conference [CPPCC] and the CPPCC Committee of the Yanbian Korean Autonomous Prefecture, Hunchun has scored obvious achievements since the establishment of the economic development zone only four years ago.

As early as 1985, the province's specialists and scholars had begun the study of development and opening of Hunchun. In May 1988, the State Council decided to build Changlingzi Port in Hunchun. The same year, the provincial government decided to establish the Hunchun Economic Development Zone. In December 1991, the State Council approved Hunchun's designation as an A-class open city. In May 1992, the State Council again decided to designate Hunchun as the "border open city." These major policies set forth in succession have instilled vigor and vitality into Hunchun, and have enabled Hunchun to make a relatively big step in development, construction, and opening.

By the end of 1991, the total industrial output value of Hunchun city had gone up by 88 percent over that in 1988; the total agricultural output value, 14.2 percent; and financial income, 112.5 percent. Foreign trade has developed rapidly. Changlingzi Port was put into operation on a trial basis in 1989, and was formally open in 1991. In 1991, the port's total volume of border trade reached 290 million yuan, up by 162 percent over 1990.

In the first three months of 1992, this port handled a total of 16,000 tons of goods. Construction of basic facilities has been strengthened constantly, and the investment environment has improved greatly. During the Seventh Five-Year Plan period, more than 1 billion yuan was invested in this area. The rebuilding of the city of Hunchun proper has achieved initial results, the Tumen-Hunchun highway and the highway from the city of Hunchun to Changlingzi Port has already been completed and opened to traffic; the Tumen-Hunchun Railway has entered the stage of track-laying and is expected to be open to traffic by the end of this year; a coal mine with a total designed capacity of 5.06 million tons already has a production capacity of 1.62 million tons; the power plant, with a total designed capacity of 600,000 kilowatts, has already connected two 100,000-kilowatt generating units to the power grid; the microwave communications circuit from Changchun to Hunchun has been made available; and the 6,000-line program-control telephone project is expected to be made available in August this year. All of these display a vast prospect for further opening Hunchun city.

Because of this development, over the past few years, more than 100 teams and groups, involving 1,000 persons, from the United States, Canada, Japan, South Korea, the CIS, Hong Kong, and Macao, have come to Hunchun to visit, sight-see, engage in trade talks and economic and technological cooperation. And the one-day tour to Korea, which began last year, has already received more than 5,700 tourists. Now, government organs in Beijing, Tianjin, Liaoning, Heilongjiang, Shandong, and Anhui, as well as 38 companies and enterprises, have established their agencies and trade organs in Hunchun. In March this year in particular, after the State Council decided to designate Hunchun as a "border open city," Hunchun's people, with high morale, implemented the guidelines of the important speeches of Comrade Deng Xiaoping and the ninth plenary session of the fifth provincial party committee with a new attitude and in an even bolder manner. Additionally, persons in various fields at home and abroad have come to Hunchun to seek the road to development and success.

Changchun Establishes Industrial Zone in Shenzhen

SK0406083792 Changchun JILIN RIBAO in Chinese
6 May 92 p 1

[Text] To accelerate the pace of reform and opening up and to provide a window for developing the export-oriented economy, the Changchun City government is developing and building a large export industrial base in Shenzhen—the Chunhu industrial base. This was learned by our reporter at a news conference held by the Changchun City government this morning.

The Chunhu industrial zone is located at the entrance of Yantian Road in Egongling in Pinghu Town of Baoan County in Shenzhen City and by the side of the Gongguan-Guangzhou provincial-level highway, covering an

area of 110,000 square meters and neighboring Shenzhen Yantian Reservoir in the east. It is 21 km away from Luohu railway station in the south—a railway running from Shenzhen to Hong Kong—and 3 km away from Pinghu railway station in the west, with convenient transportation. Beginning last year, the Changchun city government began to buy land there and formally raise funds for the construction. The project includes three phases. The pre-phase preparatory projects such as water, electricity and telecommunications facilities have already been completed, and the first-phase project began at the end of August of last year. So far, nine factory buildings, two dormitories for workers, one cafeteria, and one building for comprehensive purposes, including offices and recreation facilities, are being built. The second-phase project will begin during the second half of this year.

Upon completion, the Chunhu industrial zone will fully display and use its geographical advantages to directly serve Hong Kong and Southeast Asia in the distance and the favorable conditions of having fairly relaxed policies in the special zone to actively attract foreign businessmen and foreign capital to establish plants there. Meanwhile, it has also actively encouraged enterprises in Changchun City to establish plants and do business in the industrial zone, enabling it to realistically become an export-oriented industrial base and a "window" of Changchun city.

Jilin Holds Conference on Work of Intellectuals

SK0406093492 Changchun JILIN RIBAO in Chinese
8 May 92 p 1

[By reporter Wang Liya (3769 7787 1246): "The Joint Conference on the Work of Intellectuals in Provincial-Level Departments Was Held in Changchun"]

[Excerpts] To deeply implement the guidelines of the relevant central documents and to further mobilize and display the enthusiasm of intellectuals across the province in making contributions to reforms, opening up, and economic construction, the joint conference on the work of intellectuals attended by leaders of provincial-level departments concerned was held in Changchun on 6 May.

Governor Gao Yan attended the conference and gave a speech on displaying the role of intellectuals, further emancipating minds while carrying out work on intellectuals, strengthening efforts, pushing the broad masses of intellectuals to the main battlefield of economic construction, and accelerating our province's economic construction.

After briefly reviewing our province's reform, opening up, and economic development situation during a period in the recent past, he said: The fundamental way to realize our province's economic invigoration and to accelerate our province's reforms and opening up is to rely on scientific and technological progress, and fully display the role of intellectuals. To invigorate Jilin, we

must first invigorate science and technology. Intellectuals are carriers of science and technology and the representatives of advanced productive forces. The tremendous development of socialist productive forces of the present age is mainly determined by the intellectual factor of man and relies on intellectuals who have a good command of modern science and technology. Therefore, we must rely on science and technology and do a good job in the work on intellectuals. Only by successfully carrying out the work on intellectuals, mobilizing their enthusiasm, and displaying their role to the greatest extent can we realistically form and display the advantage of trained personnel and turn it into an economic advantage.

At present, our country's socialist modernization has already entered a crucial period. Under the encouragement of the spirit of Comrade Deng Xiaoping's important speech and the plenary session of the party Central Committee Political Bureau, a new tide of emancipation of minds, reforms, and opening up is rising. The crucial issue to determine whether we can seize this historical opportunity, take advantage of the situation to advance, and enable economic development to enter a new stage is to make flexible use of trained personnel. In addition to fully displaying the role of the existing trained personnel, we should also extensively and flexibly attract and recruit personnel. We should enhance the sense of responsibility and urgency, seize the opportunities, advance despite difficulties, exert strenuous efforts, create conditions, and do a better job in the work concerning intellectuals in our province.

In doing the work on intellectuals, Comrade Gao Yan called for efforts to further emancipate minds, increase strength, and push intellectuals to the main battlefield of economic construction. It is necessary to expand the encouragement policies. The policies must be coordinated and must be in conformity with the objective law of development and proceed from reality, so that they can realistically play a role in mobilizing the enthusiasm of intellectuals. Some policies must be expanded to fundamentally boost the enthusiasm of intellectuals and to induce them to make more achievements and greater contributions. [passage omitted]

Comrade Gao Yan stressed at the end of his speech: It is necessary to strengthen leadership, improve methods, and firmly grasp the work. It is hoped that all departments will make concerted efforts, maintain close cooperation, pay attention to training personnel, and make greater contributions to accelerating our province's reforms, opening up, and economic construction.

Wang Jinshan, member of the Standing Committee of the provincial party committee and director of the Organization Department of the provincial party committee, also attended and addressed the conference. He reviewed our province's situation in carrying out work on intellectuals over the past year and put forward the major tasks for our province's work on intellectuals at present and in the days to come. [passage omitted]

Liaoning Releases Market Construction Plan

SK3005070492 Shenyang Liaoning People's Radio
Network in Mandarin 1030 GMT 28 May 92

[Text] The provincial people's government sponsored a press briefing to release the province's plan for building markets on 28 May. At the press briefing, Vice Governor Zhang Rongmao delivered a speech entitled: Accelerate the Construction of Commodity Markets and Make Contributions to Enlivening Commodity Circulation and Making the Province's Economy Prosperous. Zhang Rongmao said in his speech that the provincial party committee and the provincial people's government regard the construction of markets as an emphasis for the financial work this year. The province should take a large step in building markets. During the Eighth Five-Year Plan period, the province plans to build, rebuild, or expand more than 300 markets for various commodities; the total area will be 2.5 million square meters. The total investment in these markets will be 1.3 billion yuan. In 1992 and 1993 the province will emphatically build, rebuild, or expand 100 markets for various commodities and the province's total investment in the operation will be 190 million yuan. Major focal points in the initial construction of commodity markets are as follows: 1) Regarding the industrial bases as a support, the province should rapidly establish markets for means of production, such as steel products, nonferrous metal, and raw materials for the electric and chemical industries, which exert a strong influence on other production, as well as markets for regulating the supply of materials and equipment. 2) By regarding farm and sideline products and the bases of special production as a support, the province should develop wholesale markets in areas where grains, oil-bearing seeds, meat, eggs and poultry, and vegetables are produced. 3) The province should establish wholesale markets for special commodities among key cities to expand the sales of local industrial products with the double functions of exerting influence and attracting business, as well as specialized markets that can render services for the production of rural commodities and for township enterprises.

Zhang Rongmao also said in his speech that the provincial people's government had decided to adopt the following five policies and measures to promote the construction of markets: 1) Efforts should be made to earnestly deal with the issue of leaving land for market construction and to put the land utilization of market construction on the plan of urban construction. The construction of markets approved by governments at all levels and listed in the construction plan should not tie up the quota for basic construction. In these projects, the government will not collect the tax of regulating the investment orientation, funds from land transfer, and the charges of building auxiliary facilities in urban areas. 2) Market construction should be carried out by chiefly depending on funds raised by various social circles and with the proper support given by the state. The provincial people's government reaffirmed that 50 percent of various taxes and three years' of tax revenues from

newly-built markets will be used for market construction. 3) Efforts should be made to regard the mechanism of attracting business as an important measure of successfully running commodity markets. Various localities should formulate their preferential policy to attract businessmen from other provinces and foreign countries to enter the province's markets. 4) Efforts should be made to further enliven the management of commodity markets; to relax restrictions on market management; to allow all commodities to enter markets except for those covered by the state mandatory plan and clearly prohibited by the state order; and to carry out relaxation among the markets of means of production in the fields of business scope, business links, monopoly commodities, and commodity prices. 5) Efforts should be made to adopt preferential policies to encourage state- and collective-run industrial and commercial enterprises, township enterprises, and district- and neighborhood-run enterprises to enter commodity markets.

Attending the press briefing sponsored by the provincial people's government on releasing the orientation of market construction were leading comrades from the provincial party committee, the provincial people's congress, and the provincial people's government, and leading personnel from the offices of 10 provinces, including Sichuan and Shaanxi, stationed in Liaoning Province.

Liaoning Changes Economic Accounting System

SK0406064692 Shenyang LIAONING RIBAO
in Chinese 29 Mar 92 p 1

[By reporter Wang Xilun (3769 6932 0243): "Liaoning Province Changes the Economic Accounting System"]

[Text] From 1 April, the province will start to set up a new national economic accounting system and improve the industrial production appraisal and assessment target. This was declared by Wen Shizhen, vice governor of the provincial government, at the telephone conference of the provincial government on 25 March.

Through the study and experiment for several years, the state Statistical Bureau worked out this new national economic accounting system to suit the need for developing the planned commodity economy. The new accounting system involves two main parts. The first part is the table of social reproduction. This table includes the gross domestic product; five basic sections, such as the use of gross domestic product, input and output, the flow of capital, the balance between international revenues and international expenditures, and assets and liabilities; and eight supplementary sections, such as population, labor forces, and natural resources. The second part is the economic circulation account, including the national economy, organizational departments, industrial departments, and economic circulation matrix. This part of accounting can comprehensively state the process of social reproduction as well as the internal relations among various sectors of the national

economy. The combination of the contents of these two parts can be regarded as a major base to make the state macroeconomic policy decisions as well as an effective means to readjust and control the macroeconomy.

By implementing the new national economic accounting system, we should extend the scale of accounting from above the county level to above the town and township level and add the industrial sales output value to the

industrial production appraisal and assessment target. Simultaneously, the total industrial output value will only be regarded as a general statistical target but not a major target for appraising and assessing the scale of industrial production and the industrial growth rate. The newly added section of assets and liabilities is conducive to enhancing the capability of conducting cooperation between enterprises and foreign businessmen and of entering the international market.

'Goddess of Democracy' Ship Transmits to Mainland

OW0506094392 Taipei CNA in English
0749 GMT 5 Jun 92

[Text] Taipei, June 5 (CNA)—The radio ship "Goddess of Democracy" broadcast a statement to the Chinese mainland yesterday on the occasion of the third anniversary of the 1989 Tiananmen massacre in Peking.

The statement, broadcast from the ship in short wave, said the Chinese Communist regime inflicted a historical wound on the Chinese nation by brutally killing pro-democracy students in Peking three years ago. It urged Peking leaders to release those who are still imprisoned for participating in the Tiananmen student movement, allow mainland Chinese pro-democracy activists staying abroad to go home, and initiate political reform in Mainland China.

The 1,140-tonne radio ship, named after a statue erected by Peking students at Tiananmen Square in June, 1989, left France for the East China Sea in March 1990 in order to broadcast ideals of freedom and democracy to the Chinese mainland from international waters. The ship was auctioned a few months later in Taiwan.

Mainland Affairs Official Comments on Unification

OW0406085992 Taipei CNA in English 0759 GMT
4 Jun 92

[Text] Taipei, June 4 (CNA)—The Republic of China is striving to unify China for the wellbeing of all Chinese, not simply for "unification's sake," a ranking official said Wednesday.

Ma Ying-jeou, vice chairman of the cabinet-level Mainland Affairs Council, was speaking at a Taipei workshop in commemoration of the Tiananmen massacre in Peking on June 4, 1989 in which thousands of pro-democracy mainland Chinese were killed by communist troops.

Ma said the brutal suppression by the communists on the pro-democracy movement that peacefully swept the mainland three years ago has never been forgotten.

Ma pointed out that mainland Chinese pro-democracy activists and the people in Taiwan share the common ideals of reviving Chinese culture, respecting basic human rights, and promoting democracy and the rule of law.

"I hope people on both sides of the Taiwan Straits will increase contacts and exchanges in order to reach a consensus for eventual national unification," Ma said.

The workshop was part of a series of activities sponsored by the Catholic Tien Educational Center in memory of those who died in the Tiananmen massacre.

More than 100 academics, writers and artists attended the memorial service last evening.

Ming Chu-cheng, a history professor at National Taiwan University, reported on the development of pro-democracy activities organized by exiled mainland activists in various countries, the assistance Taiwan has given to overseas mainland pro-democracy groups, and the prospects of the mainland democracy movement.

'Three Direct Links' Not Considered at Present

OW0306090292 Taipei CNA in English 0811 GMT
3 Jun 92

[Text] Taipei, June 3 (CNA)—The government won't consider the so-called "three direct links" with Mainland China at the moment since relations between the two sides of the Taiwan Straits have not been normalized, a ranking official said Tuesday.

Huang Kun-hui, chairman of the Mainland Affairs Council, told a meeting of officials from various government agencies that although Peking has constantly called for the opening of direct cross-straits transportation, commercial and postal links, it has never given up its attempt to take Taiwan by force.

Huang pointed out that the "three direct links" may bring some short-term benefits to local traders, but such ties under the present situation may hurt Taiwan politically.

"As long as Peking remains hostile to us," Huang said, "direct cross-straits exchanges won't be in our interests."

He noted that national unification is a long-term goal which requires wisdom and patience to realize. "Premature national unification will do more harm than good to all Chinese," he added.

Since political and social systems and lifestyles on both sides of the straits remain far different, Huang said, China's unification is not expected to be realized in the near future. "We must reach this noble goal in a gradual manner and with high patience," he stressed.

Official on Exchange of Visits Between SEF, ARATS

OW0306083192 Taipei CNA in English
0750 GMT 3 Jun 92

[Text] Taipei, June 3 (CNA)—A ranking official of the Straits Exchange Foundation (SEF) in Taipei said Tuesday that the time was not yet ripe for SEF to invite officials of Peking's Association for Relations Across the Taiwan Straits (ARATS) to visit Taiwan.

Chen Jung-chieh, SEF secretary general, noted that even if the law governing civilian relations across the Taiwan Straits is enacted promptly, the time to invite ARATS officials to visit Taiwan will not come any sooner.

Chen said SEF-ARATS talks over document verification and indirect registered mail service had been useful in promoting mutual interaction, and yet such interaction does not necessarily result in SEF's invitation of ARATS officials to visit here.

Government To Ease Control Over Mainland Visits

OW0406212992 Taipei LIEN HO PAO
in Chinese 1 Jun 92 p 1

[Text] Taipei—The Mainland Affairs Committee [MAC] of the Executive Yuan has decided to further ease control over people on Taiwan and the mainland in visiting their families and attending the funerals of deceased family members, as well as as the control over people who want to make long-term stays in Taiwan. People on the mainland may now come to Taiwan to visit their grandparents or grandchildren, or to attend their funerals; and the age limit will be reduced to 70. Anyone in Taiwan who is sick and needs care may have one family member from the mainland come to Taiwan to provide care on a long-term basis—but this family member has to leave Taiwan after the sick person recovers or dies.

MAC Director Huang Kun-hui announced these measures yesterday at a press conference held at the first anniversary of his assumption of office. He indicated that it has been six months since the MAC, on 25 November 1991, eased controls over people in visiting their family members, or in attending funerals for deceased family members, on the mainland or Taiwan, as well as controls over those people who seek to stay permanently in Taiwan. Based on people's wishes and humanitarian reasons, he added, MAC will further ease the control in the following areas:

1. Regulations governing mainlanders' visits to Taiwan to see sick family members and attend funerals of deceased family members are:

1) In case they are sick, grandparents and grandchildren (including maternal grandparents and grandchildren) may also be visited by their family members on the mainland; and in case they have died, their family members may come from the mainland to attend their funerals.

2) The conditions for mainland people coming to Taiwan to visit their sick family members or attend their funerals will be further eased from "those who are seriously ill or seriously injured, or who are 80 or older and have difficulty getting about" to become "those who are 70 or older, who are seriously ill or seriously injured, or who have difficulty getting about."

2. Regulations governing government personnel who request permission to visit their sick family members or attend the funerals of deceased family members on the mainland will be further eased:

1) Government personnel may now go to the mainland to visit their sick grandchildren (including maternal grandchildren), or attend their funerals if they are deceased. (Note: Control over visits to see grandparents—including maternal grandparents—has already been lifted)

2) Conditions for government personnel requesting permission to visit sick family members or attend the funerals of deceased family members have been eased from "80 and older, those who are sick or injured, or who have difficulty getting about" to become "70 or older, those who are seriously ill or seriously injured, or who have difficulty getting about."

The control over mainlanders coming to Taiwan for long-term stays will be eased: A family member on the mainland may come to Taiwan for an extended stay to take care of his/her sick relative, provided he/she is 70 or older, has chronic sickness and needs care, and does not have children in Taiwan. However this family member has to leave Taiwan after this relative recovers or dies.

Meanwhile, MAC Director Huang Kun-hui also pointed out that the government has started to revise certain regulations so that scientists and technicians, including those engaged in humanity and social science studies on the mainland, can come to Taiwan to do research work.

He said: The MAC will revise the "Regulations Governing Mainland China's Scientists and Technicians Participating in Scientific and Technological Research and Development at the Present Stage." The major revisions are:

1. The scope of hiring will be expanded to include scientists and technicians on the mainland, as well as those who are now in free countries and regions.

2. Hiring outstanding and exceptional personnel engaged in humanity and social science studies on the mainland.

3. Easing the standards for scientists and technicians: "Outstanding" scientists and technicians, as well as those who are "exceptional," will be hired, but there will still be limits on annual hiring quotas.

Huang Kun-hui also indicated that, beginning 1 May of this year, Taiwan scholars and experts wishing to conduct short-term scientific studies on the mainland may request financial assistance from the National Commission for Long-Term Scientific Development. According to the commission's regulations, scholars and experts on Taiwan may go to the mainland to conduct short-term research projects regarding the improvement of the people's livelihood (such as for disaster prevention or dealing with disasters), key technologies (such as those concerning new materials and aerospace technology), and other special topics (such as traditional Chinese medicine and archaeology). The number of assistance recipients, however, will be limited to 30 annually, and length of assistance will be limited to no more than six months.

Restrictions Eased on Cross-Straits Trade

OW0306083492 Taipei CNA in English 0806 GMT
3 Jun 92

[Text] Taipei, June 3 (CNA)—Restrictions on cross-straits trade and investments will be further eased, Vice Economic Affairs Minister P.K. Chiang said Tuesday.

"This is part of our new strategies to develop economic ties with Mainland China," Chiang explained.

Under the new strategies, Chiang said, Taiwan will open its doors wider to mainland raw materials and semi-finished goods as long as such exchanges won't damage overall national interests.

The government currently allows indirect imports of 250 kinds of mainland merchandise. "More items will be added to the list in the near future," Chiang reported.

The government is also considering easing restrictions on cross-straits investments, Chiang said. Taiwan companies are presently allowed to indirectly invest on the mainland for the manufacture of 3,737 kinds of merchandise.

"The product list will be expanded," Chiang said. "Applications for investing in the production of those not included in the list will be considered on a case-by-case basis," he added.

Cross-straits trade transshipped via Hong Kong reached U.S.\$5.79 billion last year, up 44 percent from 1990. Officially approved investments on the mainland stood at U.S.\$830 million at the end of 1991, but mainland tallies showed Taiwan investments already hit U.S.\$3.4 billion.

MAC Head on Post-Reversion Hong Kong, Macao Ties

OW0406131292 Taipei Voice of Free China
in English 0200 GMT 4 Jun 92

[From the "News and Commentary" program]

[Text] Chairman of the Mainland Affairs Council [MAC], Huang Kun-hui, stated at the Taiwan-Hong Kong relations seminar on Wednesday, that the ROC [Republic of China] will likely not relinquish its positions, bodies, and personnel in Hong Kong and Macao

after 1997 and 1999 respectively, when the two territories become governed by Communist China. He said that ROC policy will operate according to objective conditions at the time.

Over 100 scholars and experts are attending the conference, which is being sponsored by National Chengchi University's International Relations Research Center.

Meanwhile, head of the MAC's Hong Kong and Macao Section, Li Wei-lien, stated that the council hoped to draft the Taiwan-Hong Kong-Macao relations act to govern relations and the interests of ROC bodies and personnel in the two territories after they revert to Peking [Beijing] rule.

Li said that basic government policy here is that it will not abandon Hong Kong and Macao after 1997 and 1999. He said that the two present colonies will be special areas of Mainland China in the future and that the ROC will take special measures to deal with the situation. He said that commerce, aviation, and postal ties between the three places will remain in place.

Commission With Central African Republic Set Up

OW0506094592 Taipei CNA in English 0745 GMT
5 Jun 92

[Text] Taipei, June 5 (CNA)—The Executive Yuan yesterday approved an agreement to establish a joint commission to promote cooperative relations between the Republic of China and the Central African Republic. The five-year agreement was signed in Taipei by Foreign Minister Chien Fu and his Central African counterpart Christian Lingama-Toleque in mid-May, when President Andre-Dieudonne Kolingba visited the Republic of China.

The joint commission will promote political, economic, social, cultural, and technological relations between the two countries, an official of the Foreign Ministry said. The Republic of China Government will send agricultural and medical teams to and encourage businessmen to invest in the Central African Republic, he added.

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